

Philadelphia Crosstown Coalition Questionnaire for Candidates

The Crosstown Coalition, a federation of 19 civic associations listed below, voted to present the enclosed questionnaire to Mayoral and Council candidates who will be on the ballot for the May 19th primary.

DUE DATE: *Responses from Mayoral candidates* should be delivered no later than *Friday March 13* in advance of the March 18 Mayoral Candidates night hosted by four of our members from communities east of Broad Street. *Responses from Council Candidates* should be delivered no later than *Friday April 3*.

INSTRUCTIONS: Electronically insert your answers after each question.

RESPOND TO: Deliver the completed questionnaire to Crosstown Chair Stephen Huntington by email to shuntington@hhflaw.com.

QUESTIONS: Present any inquiries you may have by email or, less preferably, call Mr. Huntington at 215 523 7900 or Communications Chair Ilene Wilder at 215 514 0449

CIRCULATION: Answers (but not the Contact Information) will be promptly posted, first come, first served, on the Crosstown Coalition website: philacrosstown.org and emailed to our 19 member organizations.

CONTACT INFORMATION

Your Name: Terry Tracy

PO Add: P.O. Box 2001 Philadelphia, PA 19103

Tel #: 267.352.4350

E Mail Add: ttracy@terrytracy.com

The Office You Are Seeking: Republican City Council At-Large

Contact info for staffer liaison: Allaire Corbett, 484.620.3146,

acorbett@terrytracy.com

Members of the Coalition:

Bella Vista Neighbors Association • Center City Residents' Association • Central Roxborough Civic Association • East Falls Community Council • East Passyunk Crossing Civic Association • Fishtown Neighbors Association • Logan Square Neighborhood Association • Northern Liberties Neighbors Association • Overbrook Farms Club • Packer Park Civic Association • Passyunk Square Civic Association • Queen Village Neighbors Association • Society Hill Civic Association • South Broad Street Neighborhood Association • South of South Neighborhood Association • Washington Square West Civic Association • West Powelton/Saunders Park RCO • Woodland Terrace Homeowners Association

TAX AND FINANCE QUESTIONS

1. TAX ABATEMENT

Philadelphia's ten-year tax abatement eliminates real estate taxes on new construction and improvements (but not the underlying land) for ten years. Supporters argue that the lost tax revenue is more than offset by enhanced business, wage and sales tax collections and note that since the abatement went into effect, development activity has increased dramatically. Opponents argue that the abatement stimulates development for only high income housing, and reduces much needed city real estate tax revenue, of which more than 50% goes to schools.

Should the ten year realty tax abatement continue as is, or should it be modified or abolished? The ten year realty tax abatement program is a function of an irrational, self-defeating municipal tax code a years of ad hoc tax policy making. I am willing to support modifications to the program as part of a larger tax reform effort.

Please indicate why you would keep or abolish it, or what modifications you would make:

Drexel University Senior Research Fellow Kevin Gillen has found that \$8 dollars of economic activity has occurred in the city for every \$1 in forgone taxation as a result of this tax abatement program. In a vacuum, this might indicate it has been a success. In many regards, this is true, particularly for the city's core. Further, given the city's disproportionate dependency on the city wage tax, increasing residency is of paramount concern. However, success has been uneven and the programs limitations have been exposed in places like Germantown and the Northeast. In order to sustain progress in the city's core and help surrounding neighborhoods realize their potential, we need to rationalize our tax structure – we need a simpler and lighter tax code. Modifications to or elimination of the program should be on the table in order to advance more comprehensive reform that eliminates confiscatory business taxes such as the BIRT Net Income Tax and reduces the wage tax burden.

2. REAL ESTATE TAXATION

In 2013, for the first time in over two decades, the City reassessed all 579,000 parcels within the City limits. Tens of thousands of residential property owners were shocked to receive much higher property tax assessments

How frequently should reassessments occur and why? There should be a streamlined process for assessing the fair market value of property by the January prior to the fiscal year the property will be taxed. Each fiscal year, assessors should utilize an algorithm that factors in comparable neighborhood transactions, replacement cost, and/or rental income potential in determining property value. Regular and consistent property valuation through a modern and streamlined assessment process is essential to ensuring city property tax policy is balanced, equitable, and graft-free.

3. WAGE TAX

Philadelphia receives 66% of its tax revenue from wages and business receipts; in contrast, in New York City and Washington DC, 34% and 35% of tax revenues are from wages and business receipts. In those two cities, proceeds from real estate taxes are much larger (41% and 36%, respectively) than in Philadelphia, where this value is 17%. Critics contend that Philadelphia's reliance on wage/business taxes drives workers and businesses out of the City because it is easier to relocate people than it is to relocate offices and factories.

Should Philadelphia shift more of its revenue sourcing from wage and business taxes to real estate taxes? Yes.

If you believe we should shift away from wage and business taxes to real estate taxes, how would you propose to do this?

The purpose of Comprehensive Tax Reform should be ENHANCING OUR CITIZENS' QUALITY OF LIFE. Sensible reform should accomplish the following: Eliminate confiscatory business taxes such as the BIRT net income tax and reduce the wage tax burden; streamline municipal business regulation; target tax credits for new hires and new industries established on vacant property; account for any impact to the city's near-term revenue generating potential through the monetization of city-owned assets; and ensure the ongoing viability of already established businesses. The existing business community must be part of the solution.

If you do not believe that such a shift should occur, why not? [Click here](#) to enter text.

4. DELINQUENT TAXES

The City currently has over \$1 billion in delinquent taxes. Approximately half are delinquent property taxes and half are delinquent wage, business income, and related business taxes. Each year, the deficit grows, a trend which suggests that the City lacks the political will or competence (or both) to collect taxes. One tax collection strategy is to remove the collection task from the City and sell tax liens to private investors so that the private sector would set about collecting these debts. Proponents observe that because the \$1 billion delinquency shows that the City is incapable or unwilling to collect delinquent taxes, tax collections should be transferred to the private sector. Critics worry that private concerns would engage in improper collection tactics or fail to fairly treat tax delinquents who are down on their luck.

Should the City sell tax liens to private investors? Yes.

If not, what steps would you take to ensure that the delinquency is addressed? Critics' concerns are valid ones and should be addressed in the Request for Proposal on ongoing oversight processes. This, however, is not a novel concept. Many other major U.S. cities have established the appropriate balance between maximizing efficiencies inherent to the private sector to their benefit while ensuring the necessary governmental oversight in order to protect those most in need. It has become increasingly evident that the city's Department of Revenue is in need of fundamental reform.

5. PGW SALE

Advocates of the recent failed sale of the Philadelphia Gas Works (PGW) favored the sale because the City could use the proceeds, about \$400 million, to reduce the \$5 billion underfunding of the City's pensions. They further contended that the City had no business running a gas company, that City ownership leaves open the door for patronage positions at PGW, that City ownership limited the business opportunities of the operation, and that under public ownership, it will take nearly 90 years to replace the City's ancient and increasingly unsafe gas mains. Opponents asserted that a sale would eliminate PGW's annual \$18 million contribution to the City's general fund. Opponents were also concerned that even though a privately operated PGW, like PECO, would be regulated by the Public Utility Commission, a private operator would be more likely to raise rates and be less responsive

to the needs of low income residents than a City owned utility. Critics also contended that the private operator produced no credible plan for upgrading infrastructure that would not have entailed substantial long-term rate increases. Both sides presented reports substantiating their positions. Despite these divergent views, City Council decided not to hold public hearings on the proposal, let alone conduct a ye or nay vote.

Do you believe that City Council should have conducted public hearings on the PGW controversy? Please explain your answer. Absolutely. The city spent two and a half years and millions in tax payer dollars considering a potential transaction with Connecticut-based UIL. Similarly, UIL pursued a time consuming and costly due diligence process of its own. The failure to, in the end, not have a transparent, public discussion about the deal was not only a mistake, but also indicative of much that is wrong about our politics and policy making in City Hall. I believe inter-personal dynamics and internal political considerations in City Hall ultimately derailed the process. To listen to incumbents' explanations as to why they did not hold hearings largely validates my belief. Philadelphia citizens deserved the opportunity to form their own opinion about the UIL proposal through the legislative process – and to have their voices heard. Further, are other businesses more or less likely to invest in Philadelphia given our failure to give UIL the opportunity to make their case publicly? Did it help or hurt our efforts to change the perception that City Council claims to be pro-job, but is blatantly anti-business? These are, of course, rhetorical questions.

What is your vision for the future of PGW?

The decision to sell (or not) the Philadelphia Gas Works is arguably the most consequential decision City Council could face in the next term. On one hand, a sale could provide the city with the kind of revenue windfall to tackle major structural reforms, from restructuring an incoherent municipal tax code to stabilizing the woefully underfunded municipal pension system. On the other hand, the complexities of a potential transaction, from concerns about transitioning the existing workforce into the private sector to various unknowns about the future of Pennsylvania's energy industry to the city's troubling track record of managing its own revenue sources and investment decisions, requires a prudent, diligent, and transparent evaluation of any proposed deal.

In concept, I am a proponent of selling PGW. There are any number of reasons why every other major city in the nation abandoned the day to day management of a similar utility years ago. On balance, the upsides associated with a sale outweigh the downsides of continuing to maintain a capital liability

of this magnitude on the city ledger. More specifically, with respect to the proposed sale of PGW to Connecticut-based UIL, I have serious concerns about how City Council handled the transaction, both as a matter of politics and substance.

Even if we were to assume PGW's best days remain ahead of it without UIL ownership, after two and half years of tax payer dollars spent on hard negotiations, City Council should have held public hearings on the specifics of the proposal. In democracy, process matters. When the democratic process is undermined by personality conflicts, it sends the wrong message. A further evaluation of what we know about the mechanics of the proposed acquisition without a public hearing yields additional concerns. Here is what we know based on recent reporting and publicly available data:

- 1. UIL offered and City Council refused to publicly consider a net realization of approximately \$420 million for PGW.*
- 2. In so doing, the city chose to accept a continuance of the annual \$18 million dividend paid by PGW.*
- 3. This dividend represents a 4.3% return on the foregone \$420 million value. On a DCF (Discounted Cash Flow) basis, this dividend provides a NEGATIVE IRR (Interest Rate Return).*
- 4. A simple analysis shows FMV (Fair Market Value) for PGW realistically in the range of \$400-\$500 million due to PGW's high debt/equity ratio, which, though down from 3.4:1 two years ago, still sits at 2.4:1. Case in point, the resultant high annual interest expense sits at \$57 million annually while current portion of long-term debt was \$53 million in the most recent fiscal year.*

Though I have high hopes for the future of Philadelphia's potential as a global energy hub, the argument that municipal ownership of the gas works is a prerequisite to the city realizing the long term potential economic benefits of Pennsylvania's growing energy industry is unconvincing. So, having not had the privilege to read the UIL offering document, I am left to assume that Council rejected the deal not on its specific financial merits, but because of 'extenuating circumstances', potential 'what-if' scenarios, and/or internal political priorities. In the most recent PICA report, the first seven recommendations made regarding the pension fund crisis addressed the reversal of poor financial decisions made in recent years. To the extent that the incumbent City Council is responsible for those past decisions, it is plausible that recommendation number eight in their next report may be useful editorial commentary on how Council handled the UIL deal.

Still, I remain open minded about the future of PGW. In the event there is simply not the political will to pursue a sale for the time being, then working to correct

the unacceptable negative IRR should be a priority. City Council must enact legislation to overhaul PGW's governance structure, establish clear benchmarks for improving internal controls, and hold the reformed entity accountable by demanding a greater annual dividend. The following shows the IRR for several levels of annual dividend:

<i>ANNUAL DIVIDEND (\$MILLION)</i>	<i>IRR (%)</i>
<i>45</i>	<i>7</i>
<i>50</i>	<i>8</i>
<i>55</i>	<i>10</i>
<i>60</i>	<i>12</i>

In the context of the failed UIL deal, legislation that prioritizes City Council's fiduciary responsibility to the city would require an annual dividend payment to the city in the ballpark of \$50 million. We better get to work.

6. PENSIONS

The City spends 18% of its budget – about \$660 million (in 2012) – on pensions. Even so, the City's pension obligations are currently underfunded by approximately \$5 billion, more than the \$4 billion the City expects to take in during the next fiscal year. Three questions:

Do you believe that the City can “grow” its way out of this deficit– i.e. that prosperity in the City, as distinguished from tax hikes, will produce higher realty and business tax revenues so that the additional funds can be used to pay down the deficit OR that the City can somehow change its ways and pay down the deficit by better practices?

If you do not believe that “growth” alone will suffice to address this issue, which do you favor: raising taxes, cutting spending or selling assets? Depending on your answer, specifically identify the taxes to be raised, the names of the programs that should be cut (please no generalities like eliminating “waste and abuse”), or the assets to be sold.

To gradually improve the pension plan's funding status, do you favor continuing the defined benefit plan for existing employees while instituting a defined contribution plan for more recently hired employees?

The January PICA report states “The question goes beyond the sustainability of the pension system to the sustainability of the city itself. Philadelphia cannot grow and prosper unless its public sector costs are affordable to its taxpayers, and unless these costs are predictable.” So, while growth is essential to solving the crisis - and I have a number of pro-growth policy proposals - so too will be

electing representatives to City Council who demonstrate an understanding of their fiduciary responsibility to the city and the impact that responsibility has on our citizens' ability to prosper. On the current trajectory, the pension deficit will not only further impair the city's ability to invest in its future, but also undermine regional growth to the detriment of the entire metropolitan economy.

The first seven recommendations made by PICA basically ask the city to undo poor financial decisions made in the past. It is clear that, for too long, we have elected leaders who did not take their fiduciary responsibility to the city seriously enough, to our detriment. I support the recommendation to expand Pension Board membership to include independent members with significant experience in pension fund management in order to enact proven methodology to reduce the gap. By establishing an independent, broadly representative commission to make reform recommendations, political constraints preventing reform can be mitigated. Examples of reform measures might include:

Continued emphasis on defined contribution hybrid retirement plans for new employees – younger workers tend to place greater value on portability, autonomy, and long term earning potential than their predecessors.

No fund adjustments unless funded ratio exceeds a threshold level.

Seek new revenue sources to provide dedicated funding. For example, Mayor Bloomberg structured the securitization of New York City's delinquent tax collections that resulted in initial and ongoing cash payments to the city.

Continue to incrementally reduce the assumed rate of return on investments

Compel the City Controller's office to assert its role in managing and approving overtime payments in accordance with the City Charter.

DEVELOPMENT QUESTIONS

7. CHANGING NEIGHBORHOODS

Some Philadelphia neighborhoods are changing, with better-off people moving into areas historically occupied by less well-off residents. This trend increases the city's tax base (and thus its ability to address the challenges many of its residents face) and often improves the physical characteristics of a neighborhood, but it can also bring unsettling changes, not only through

increasing property taxes but also via alterations in the makeup of affected communities.

Other than providing real estate tax relief to long-time residents whose assessments have increased due to rising values in the neighborhood, do you believe that government should intervene regarding these neighborhood changes? If so, list the disruptions you would target and the remedies you would suggest.

Yes, government has a role to play in encouraging the development of mixed income communities, expanding economic opportunity created by new development, and encouraging the formal inclusion of neighborhoods surrounding newly revived commercial corridors. While there is much to celebrate about neighborhood revitalization in Philadelphia, it has materialized in a largely ad hoc fashion, leaving many longtime residents to feel marginalized. From a policy perspective, I would pursue the following:

Double-down on university investments by creating an “Eds and Meds Valley” that encourages the vertical integration of related industry similar to a Research Triangle in Raleigh-Durham or Kendall Square in Boston.

Attract manufacturing by returning vacant industrial property to the private sector through the provision of capital financing.

Facilitate the consolidation of new and small business activity to distressed commercial corridors through streamlined regulation and tax incentives. Retail amenities, in particular, spur neighborhood job creation.

Connect entrepreneurs and the creative class to new and small business financing programs offered by federal and state governments.

Encourage development by modernizing city land use policy and tax structure, improving upon recent Land Bank and Zoning Code legislation.

Support investment in municipal civic infrastructure through public-private partnerships, including ports, multi modal transportation infrastructure, cultural attractions, etc.

Support property tax credits for structural upgrades to residential property in distressed neighborhoods.

Advocate for Neighborhood Financial Literacy Programs.

Support an existing C.S.I. proposal to increase city funding to the Community College of Philadelphia by \$2.5 million for the purposes of supporting basic workforce education initiatives.

Further, public safety and creating economic opportunity at the neighborhood level go hand in hand. If the city wants to attract investment it must invest in its safety and security. New businesses are unable to prosper in neighborhoods that are unsafe or are plagued by blight. Resident retention and investment is the foundation of neighborhood revitalization, but residents will flee and divest if they do not feel safe. However, we cannot afford to wait for crime to be eliminated to invest in our neighborhoods. We must pursue the integration of public safety into economic development and neighborhood revitalization policies:

Support “safety integration” efforts by encouraging developers to engage in a peer review process with neighborhood-based police officers.

Prioritize vacant and blighted “nuisance” property for acquisition and development.

Invest in Neighborhood-Police engagement programs.

Enforce established process for the consideration of reduction, reassignment, or elimination of First Responder personnel & resources.

8. ZONING RELIEF THROUGH COUNCIL

In 2012, after years of effort, the City passed a comprehensive revision of its zoning code. Many developers with projects which do not conform to the new zoning code have sought City Council ordinances to revise the zoning of their parcels, without going through the Zoning Board of Adjustment for a variance. Critics claim that zoning by council ordinance favors those with Council connections and/or big-ticket projects. Proponents argue that stakeholder input can be received in Council and that the Council procedure will encourage development because legal challenges to council ordinances are less likely than appeals from Zoning Board decisions.

Would you vote for (or sign) ordinances enabling developments contrary to the zoning code and which have not received a variance from the Zoning Board of Adjustment? If so, under what circumstances would you vote for (or sign) such ordinances? We need to have a larger, public discussion about the role of

councilmanic prerogative moving forward. How and where should this arcane mechanism be defined and applied? I share the concerns of many about zoning through council ordinance. Let's go back and address proponents' concerns about zoning reform through the legislative process. We can agree there are flaws in the 2012 law and we have an established process for addressing those flaws.

9. CITY-OWNED VACANT PROPERTIES

The City owns some 10,000 vacant properties. These properties cost \$21 million per year to maintain. Selling these properties requires City Council approval under the newly enacted Land Bank Ordinance. Sales must also be reviewed by the 14-member vacant property review committee, composed of City officials. Some worry that these procedures serve to delay the sale of these properties and open the process to political bartering, favoritism, and waste. Others say that City Council and the Project Review Committee will appropriately protect the public interest and increase community input in redevelopment.

Will you vote to amend the ordinance by eliminating the Council ordinance provision? Explain your response. Yes. Again, this goes back to the need to have a larger discussion about the future of "councilmanic prerogative". There is much City Council could do to make programs like those offered by PIDC even more successful at returning vacant property, in general, and vacant commercial property, in particular, to the private sector in order to foster job creation and advance neighborhood revitalization efforts. Expanding economic opportunity and realizing the revenue generating potential of vacant property in a growing city that is plagued by a structurally inadequate public education system amongst other challenges, should be of paramount concern to City Council. Further, vacant property poses various public safety risks and puts our First Responders in harm's way unnecessarily. It affects the value of surrounding, productive property. The list goes on as to why we should expedite vacant, city owned property off the taxpayers' ledger. I would submit to proponents of the Council ordinance provision that, perhaps, addressing these considerations would be first and foremost in the public's interest.

GOVERNMENT & ADMINISTRATION

10. ETHICS: CREATING A PERMANENT INSPECTOR GENERAL

The current City Inspector General, Amy Kurland, holds office pursuant to an Executive Order originally issued in 1984 which could be rescinded at any time by any mayor.

Are you willing to support for Bill 130001 calling for a ballot referendum to amend the City Charter to establish an independent Inspector General funded by taxpayer dollars who would have oversight over every city department?

I am willing to support a Charter change to create a permanent Office of the Inspector General (OIG) provided that there is a clear delineation of roles and responsibilities between this new office, the City Controller's Office and District Attorney's Office of Public Corruption. As a steward of taxpayer dollars, I will ensure that funds allocated to the \$7 million City Controller budget to identify waste, fraud, abuse and funds allocated to the \$33 million District Attorney's budget that are in part spent to investigate and prosecute public corruption are not spent in a duplicative way with redundant responsibilities in a potential OIG. The City Charter enumerates significant powers to the City Controller's office in an effort to provide for its complete autonomy from and jurisdiction over the executive, administrative, and legislative branches of city government. How does the proposed amendment contemplate this relationship? In its current form, the Charter envisions two popularly elected, independent executives – the City Controller and District Attorney – as the officers sanctioned to identify and prosecute municipal corruption. In order to support this proposed amendment, I must be satisfied that the relationship established by the legislation between the Chief Integrity Officer and the executive, administrative, and legislative branches is sufficiently autonomous, even more autonomous than the aforementioned popularly elected executives.

11. UNFAIR ELECTORAL DISTRICTING

“Gerrymandering” is drawing electoral districts to serve the interests of politicians or parties. A 2010 survey ranked two of Philadelphia City Council districts (5 and 7) among the top ten gerrymandered districts nationwide, with two others (1 and 9) also highly ranked on the gerrymandering scale.

Would you vote to amend the City Charter in 2015 so that the next redistricting in 2020 will be conducted by an independent, non-partisan commission? Yes.

12. ELECTION ADMINISTRATION

Philadelphia elects three “City Commissioners” whose only duty is to administer elections. They serve four years regardless of their performance.

In most cities, the election process is not run by three people, but by one, who is appointed by the mayor and can be removed for poor performance. Proponents say that the current system in Philadelphia empowers voters who can reject ineffectual or dishonest Commissioners. Detractors assert that Philadelphia voters are largely unaware of the duties of the three City Commissioners whose job title does not describe their job function so that the ballot results do not reflect voter's assessments of on the job performance.

Would you vote to amend the City Charter, eliminating the City Commissioners and adding the position of an election administrator that reports to the Mayor?

I have general concerns about consolidating too much power in the Mayor's office. Advocates of the Charter Change to make the Office of the Inspector General permanent and under the mayor's purview often overlook the fact that the good government progressives who created are Charter enumerated those powers to other, independently elected executives. I have heard calls to make the Philadelphia School District's superintendent a part of the Mayor's cabinet. Here, the recommendation is to pursue a similar route with our election administrators. While I am open to reforming and/or restructuring the City Commissioners' office, I am not yet convinced this recommendation is the "solve". Further, I am concerned this proposal, like the others, perpetuates this emerging narrative that if only we have the right Mayor (or Governor or President) everything else will work itself out. The authors of our current Charter, like our nation's Founders, seem to have a greater appreciation for separation of powers.

Perhaps this movement stems from the fact that our Mayoral race is one of the few truly competitive elections we have in this city. The Democratic mayoral primary is among only a handful of races where the Democratic City Committee does not essentially pre-ordain the outcome, as evidenced both by the surprising election of Michael Nutter in 2007 and the party's recent decision to not endorse a candidate for Mayor this cycle. So, whether our politicians are corrupt, our schools are failing, our elections are a foregone conclusion, blame can be assigned and accountability rendered.

What we really need is democracy. Democracy requires competitive elections. So as long as we are going to have partisan municipal elections, we need an effective, relevant, urban Republican Party committed to running good candidates and providing voters with a credible alternative and the ability to hold those in power accountable.

13. SHERIFF'S OFFICE

Per the City Charter, the Sheriff's office is an elective position charged with responsibility for the sale of tax delinquent properties, courtroom security, and transport of inmates. Like the recently-eliminated Clerk of Quarter Sessions, the Sheriff's Office has been unable to account for the funds that it receives. In addition, its foreclosure procedures have been seen as partially responsible for the half billion dollars of property tax delinquencies. Critics of the Sheriff's office maintain that its functions should be administered by administration appointees who can be hired and fired based upon their competence. Defenders of the Office assert that Philadelphia's voters, not the Mayor, should choose who should conduct sheriff's sales, and arrange for courtroom security and inmate transport.

Would you vote to abolish the Sherriff's office, transferring to other City agencies its functions (Sheriff's sales, courtroom security and inmate transfer)? In concept, yes, but I am not certain abolition thereby guarantees that the root causes of incompetence and graft have been addressed. Certainly, these problems exist in other agencies. So, which agencies will assume these duties? What specific processes will be improved/enhanced under the purview of that agency? Does the agency have the funding/leadership/expertise to do so? If not, how do we address those concerns in advance? I am willing to support a reform effort that ensures greater transparency and accountability, but the detailed mechanics of such a transition matter a great deal.

14. ROLE OF NEIGHBORHOODS IN DEVELOPMENT & QUALITY OF LIFE

Philadelphia is called the city of neighborhoods, but many of our basic planning, resource, and development decisions are made with little or no effective input of neighborhoods--vital stakeholders in the city's future. These include overall development patterns, placement and design of special events, major construction, and placement and operation of key public facilities—each of which can have major impacts on adjacent communities. Some measures have been made, such as the design review process is zoning code and open public involvement. But these remain advisory, and most localized decisions and issues are still the purview of district Councilpeople rather than the administration.

What would you do to give neighborhoods more meaningful roles in decision-making and more effective engagement as partners in the city's goals and mission?

In addition to the various policies outlined in the “Changing Neighborhoods” question, providing and facilitating best in class constituent services will be an absolute priority as a Councilman At Large. Having worked at a senior level for companies that pride themselves on providing their clients with industry-best service, I have a true appreciation for how good customer service organizations operate. I am seeking to serve the public, so I will expect no less than excellent customer service from my office in City Hall or those city offices that receive taxpayer-funded appropriations, in-part, because of my affirmative vote. The city spends a tremendous amount of money on various programs and services intended to connect and/or support various stake holders to little affect. An effective constituent services operation could improve awareness of and access to these services. People want to be heard. They want to be understood. They want courteous and responsive representation.

Also, I intend to propose a “City Hall To-Go” Concept in an effort to replicate the success of a similar program in Boston. The basic concept is that we pare back outdated, outmoded, and expensive government office arrangements in order to streamline essential services and situate them on repurposed, well-appointed food trucks. With the appropriate software, basic municipal services could be completed on an inexpensive tablet device. City employees would man the trucks and the devices to help facilitate the process and answer general inquiries – in your neighborhood! Seniors, new Americans for whom English is a second language, and those who may not be able to afford missing a shift, would benefit from not having to take time to venture to an inefficient and overwhelming municipal services building. Imagine, well trained, customer friendly city employees coming to your neighborhood to connect our citizens with city services on modern equipment while saving the taxpayer money!

A customer-friendly posture, in conjunction with smart policy decision making, will go a long way towards providing both neighborhoods and individuals with a sense that the city is serious about hearing their concerns and helping to address those concerns. As we foster constructing dialogue, I am certain there are any number of ways in which we can further foster engagement and inclusion.

15. SCHOOLS

Per the Mayor's Tale of the Tape, In fiscal year 2013-2014, Philadelphia contributed \$1,216,319,000 to fund the School District, a contribution which accounted for 42.3% of the School District's revenues, a percentage smaller than Chicago (50.3%), Dallas (57.7%) and Boston (67.2%) but larger than Memphis (38.4%), Baltimore (20.7%) and Detroit (20.4%).

What is the dollar amount of the contribution that you believe the City should make in fiscal year 2016 – 2017, your first year in office, and how you would finance it? Explain your conclusion

Do you believe that any strings/conditions should be attached to the City's contributions to the School District budget and, if so, what are they?

City Council continues to legislate funding increases, yet we don't really know how much we are spending, on what we spend, and to what effect in sufficient detail. For instance, Council recently enacted a new cigarette tax to fill an SDP shortfall, only discover that another \$103 million was required to cover operating expenses. This, combined with unsustainable pension costs pose a risk to the ability of future generations to prosper and the long-term financial stability of the city. These are the consequences of lacking oversight and a failure of fiduciary responsibility.

The City Charter explicitly identifies the City Controller as School Auditor; however, the School District has not been subjected to a comprehensive, independent financial and performance audit, made available to the public per the Charter, in years. Before making recommendations as to how to rectify the School District's financial situation, we must independently ascertain the reality and depth of future shortfalls. Further, we need to better understand the cause and nature of our students' unsatisfactory core competency performance.

In order to do this, we must conduct a complete financial and performance audit of the School District in partnership with the City Controller, the Auditor General, and a third-party firm. Charter Schools must be held to a similar standard. Thresholds for measuring "performance" must be independently and expertly defined.

Incremental funds deemed necessary should be provided on a staged basis provided that the SRC and PSD Administration set forth a new operating plan. This plan must demonstrate an ability to operate within newly defined financial boundaries while at the same time improving instructional conditions.

Additional funding should not be derived from additional municipal taxation at this time.

As previously mentioned, I would advocate for the reform PGW's governance structure/internal controls to reverse the current negative Interest Rate Return (IRR) and increase the annual dividend from \$18 to more than \$50 million. Since proponents of maintaining city control of PGW are content with the current dividend, incremental funds could be earmarked for the school district as an ongoing, stable, and potentially growing revenue source.

The following shows the IRR for several levels of annual dividend:

<i>ANNUAL DIVIDEND (\$MILLION)</i>	<i>IRR (%)</i>
<i>45</i>	<i>7</i>
<i>50</i>	<i>8</i>
<i>55</i>	<i>10</i>
<i>60</i>	<i>12</i>

Additional funding options may also include the following:

Borrowing from the state or other financial agencies with a pledge to fully repay upon the sale of significant capital liabilities, primarily PGW.

Diverting funds from the budget by requiring all city departments to increase productivity by 5%.

Continue to renegotiate the contracts of SDP service and material suppliers.

Codify and operationalize the collection of overdue accounts receivable, delinquent taxes, in particular.

Establish a civic initiative enlisting the business, university, and philanthropic communities in an effort to provide instructional resources now.

LIFESTYLE

16. HOUSING FIRST

Philadelphia has one of the lowest levels of street homelessness of any major American city – 1 in 5,000 Philadelphians lives on the streets in comparison to 1 in 2,700 Bostonians, 1 in 1,800 Chicagoans, 1 in 300 San Franciscans or 1 in 100 Los Angelinos. [Source: Project Home, Saving Money, Saving Lives, 2009, at p. 4] Nevertheless, anyone who has spent time in our public spaces

recognizes that there is a significant street population, typically suffering from mental illness or substance addiction, many of whom are likely not homeless. The City has implemented “housing first” programs that place individuals in supportive, permanent housing without regard to continued substance use and/or untreated mental health conditions and spends 108 million per year on homeless services.

If housing is readily available for homeless people, should they be permitted to live in public spaces?

Do you favor sidewalk ordinances to regulate aggressive panhandling and other antisocial behavior?

As we have learned from several recent events, mental health issues continue to present themselves as real and emerging crises in this country. Those suffering from or socially incapacitated by mental health conditions must be treated with respect and compassion, first and foremost. In many regards, the city’s public health services are distressed, overwhelmed, and require reform. We have the benefit of world class health institutions and systems based here and positioned to play a substantive role in reform efforts to provide these individuals with access to counseling and care. Dwelling in public spaces should not be permitted. As it pertains to antisocial behavior, I am a proponent of sidewalk ordinances that regulates panhandling and mitigates aggression towards passers-by.