

City of Philadelphia



Council of the City of Philadelphia
Office of the Chief Clerk
Room 402, City Hall
Philadelphia

(Resolution No. 030227)

RESOLUTION

Authorizing City Council's Committee on Law and Government to investigate the effectiveness and efficiency of the delivery of public housing resources and services to the low and moderate income residents of Philadelphia by the Philadelphia Housing Authority in cooperation with the City of Philadelphia, and the available legislative remedies for inadequacies that may be found, including, but not limited to, the reallocation of City-controlled and/or appropriated housing funds to other agencies, and authorizing the Chairperson of the Law and Government Committee in furtherance of such investigation to issue subpoenas or other process as the Chairperson deems necessary or appropriate to compel the attendance of witnesses and the production of documents to the full extent authorized under Section 2-401 of the Home Rule Charter.

WHEREAS, The Philadelphia Housing Authority [PHA] was established in 1937 and is the nation's fourth largest housing authority and the state of Pennsylvania's and City of Philadelphia's largest landlord providing housing for over 75,000 Philadelphians; and

WHEREAS, This Council, in approving the current five year plan, has authorized a unique and central role for PHA in the City's overall housing program; and

WHEREAS, PHA is governed by a five-member board of commissioners, appointed as follows: two members are appointed by the Mayor, two are appointed by the City Controller, and the fifth member is appointed by the other four. One of the current members, the Chairperson, is the Mayor's Chief of Staff, and another is the Majority Leader of City Council; and

WHEREAS, PHA employs 2,100 people all of whom must adhere to a residency requirement identical to that in effect for City of Philadelphia employees; and

WHEREAS, The Philadelphia Department of Licenses and Inspections inspects and regulates the housing conditions in all of PHA's rental units; and

City of Philadelphia

RESOLUTION NO. 030227 continued

WHEREAS, The functions and activities of PHA and the City in the field of housing have been inseparably tied together, as succinctly summarized in the following excerpt from Standard and Poor's evaluation of PHA published in January 2003:

PHA is unique among the authorities that Standard & Poor's has evaluated in that it has almost 7,500 scattered-site units. PHA's units blend in with various neighborhoods, blocks and streets more than most other authorities. As a result, the authority is woven into the city to a larger degree, requiring a strong external presence and cooperation with the many citizens, neighborhood businesses, and community institutions. Among the many effects of this high level of proximity is mutual dependence between PHA and Philadelphia; and

WHEREAS, PHA plays an active role in the City's Neighborhood Transformation Initiative [NTI]. PHA participates on the NTI interagency acquisition review team to select properties for acquisition, together with the City Planning Commission, the Mayor's Office, the Redevelopment Authority, the Office of Housing and Community Development, the Commerce Department, the Empowerment Zone, and the Philadelphia Industrial Development Corporation; and

WHEREAS, This Council, in the current fiscal year has made \$40.2 million in HOPE VI funds available to PHA through its approval of the CDBG Block Grant application. This funding has been utilized for a variety of vital projects, including the construction of 2,000 housing units within the City; and

WHEREAS, The City and PHA have forged an important working relationship to ensure a reliable supply of subsidized housing for homeless families ready to transition to independent living. In Fiscal Year 2002 the City and PHA began a new joint endeavor, the "Good Neighbors Make Good Neighborhood Program," which offers a year of intensive support services to approximately 400 formerly homeless Philadelphia households who will receive Section 8 vouchers through the program; and

WHEREAS, PHA must maintain a stable and productive level of financial and organizational health in order to succeed in its implementation of this City's comprehensive plans for blight removal and creation of additional affordable housing units. The failure of PHA to properly implement this Council's comprehensive housing plans could subject this City to forfeiture of some or all of the federal funds the City now receives from the Department of Housing and Urban Development, a federal takeover of the housing authority, as well as a range of other federal sanctions; and

WHEREAS, In view of the critical role that PHA plays in implementing the policy of the City to provide decent and affordable housing for all Philadelphians, it is important for this Council to review PHA performance and productivity, and to determine the availability of remedies for any shortcomings that it may discover; and

City of Philadelphia

RESOLUTION NO. 030227 continued

WHEREAS, PHA has already partially complied with a subpoena issued by the Committee on Law and Government by furnishing documents which indicate that PHA has embarked on a cost cutting initiative to significantly erode the pension rights of City of Philadelphia residents who are engaged in publicly financed work to benefit the City of Philadelphia. These documents have raised questions concerning the Administration's plans for erosion of the pension rights for other City of Philadelphia employees; and

WHEREAS, The new pension plan that has been imposed by PHA on its employees may severely prejudice its ability to retain and recruit qualified employees whose mission is vital to the success of the City's vital housing programs as administered and implemented by PHA, and

WHEREAS, The sharp curtailment in PHA's pension plan raises questions about the financial viability and management capability of PHA, and, accordingly, its ability to fulfill its contractual obligations and cooperative arrangements with the City, and the potential financial liability of the City for any such failures by PHA to perform its obligations; and

WHEREAS, If as seems likely, the City seeks to impose the same sharply curtailed pension plan on City workers, all City functions may be sharply endangered due to unwillingness of qualified workers to work for the City and the need and appropriateness of the plan must therefore be reviewed by the Council; now therefore

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That it hereby authorizes City Council's Committee on Law and Government to investigate the effectiveness and efficiency of the delivery of public housing resources and services to the low and moderate income residents of Philadelphia by the Philadelphia Housing Authority in cooperation with the City of Philadelphia, and the available legislative remedies for inadequacies that may be found, including, but not limited to, the reallocation of City-controlled and/or appropriated housing funds to other agencies, and further authorizes the Chairperson of the Law and Government Committee in furtherance of such investigation to issue subpoenas or other process as the Chairperson deems necessary or appropriate to compel the attendance of witnesses and the production of documents to the full extent authorized under Section 2-401 of the Home Rule Charter.

City of Philadelphia

RESOLUTION NO. 030227 continued

CERTIFICATION: This is a true and correct copy of the original Resolution,
Adopted by the Council of the City of Philadelphia on the

Anna C. Verna
PRESIDENT OF THE COUNCIL

Michael A. Decker
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmember Cohen

Sponsored by: Councilmembers Ortiz, Council President Verna, Goode,
DiCicco, Reynolds Brown, Miller, Rizzo, Tasco, Nutter and
Mariano