



# CITY OF PHILADELPHIA

OFFICE OF THE MAYOR  
215 City Hall  
Philadelphia, PA 19107  
(215) 686-2181  
FAX (215) 686-2180

JAMES F. KENNEY  
MAYOR

May 11, 2018

Darrell L. Clarke  
President, City Council  
City Hall, Room 494  
Philadelphia, PA 19107

Dear Council President Clarke:

The Rebuild program is one of the important components of the City's poverty reduction and community investment strategy funded by the Philadelphia Beverage Tax (PBT). As you know from your years in City government, our recreation centers and libraries are in desperate need of upkeep and repair, and the Rebuild program was designed to have a transformational impact on these facilities in neighborhoods across the city with high needs. Unfortunately, despite the greatness and urgency of the need for this investment, lack of timely legislative approvals has left the program at a standstill.

For some historical context, on September 29, 2017 the Rebuild Office transmitted to you and all members of Council the draft Program Statement for Fiscal Years 2018-2019. After the required sixty-day waiting period as ordained in Bill 170206, on November 30, 2017 I transmitted to Council the Program Statement in the form of a Resolution along with a proposed lease Ordinance for the first set of Rebuild projects as approved by each individual District Councilmember. This legislation was then finally introduced on February 15, 2018 as Resolution 180124 and Bill 180108 respectively. This legislation was heard before Council's Committee of the Whole on March 22, 2018 and continued to May 3, 2018.

After the May 3rd hearing, and the presentation of a Memorandum of Understanding signed by John Dougherty as Business Manager of the Building Trades Council, and me that provided a clear pathway for trades membership for individuals hired by the Philadelphia Redevelopment Authority as requested by Councilmembers, Council again failed to move forward with consideration of this important legislation. Nearly one year after City Council approved Bill 170206, the Rebuild program has still not received the approvals required under that legislation. During this time, recreation centers and libraries across Philadelphia have continued to fall into a state of even further disrepair. We are at risk of losing a summer of construction for facilities that are in dire need of improvements and may not be able to operate next year without them. The


lack of progress has put the program in doubt for all Philadelphians eagerly awaiting these investments. Additionally, as we stand ready to begin spending on these projects, any further delay will negatively impact our ability to leverage outside funding for the program. This situation is unacceptable, and the residents of Philadelphia deserve immediate action.

For that reason, I am adjusting the program to begin the immediate expenditure of the funds previously approved by City Council in the FY17 and FY18 Capital Budgets. I am also asking that City Council withdraw from consideration Resolution 180124 and Bill 180108 as my Administration will no longer be implementing the Rebuild program as contemplated by that legislation.

Instead, we intend to implement the Rebuild program through an alternate method. I will be transmitting for Council's consideration amendments to the FY19 Operating Budget, FY19 Capital Budget and FY2019-2024 Capital Program that will show adjusted spending of PBT related funds. While this will make the Rebuild program smaller in scale than we had originally hoped, we can no longer wait to move this program forward. These adjustments will ensure the program begins quickly and continues to uphold the overarching goals of Rebuild, in particular our commitments to community engagement and to workforce and business participation and development.

I appreciate City Council's partnership on this and other Administration priorities and look forward to the successful completion of the FY19 budget process.

Sincerely,

  
James F. Kenney  
Mayor