

Philadelphia Carries On

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Philadelphia City Charter Committee

Committee organized to campaign for adoption of new charter continues its efforts despite failure of legislature to enact bills; question to dominate this fall's elections of mayor and council.

WITH the adjournment of the 1939 Pennsylvania legislature *sine die* the curtain fell on another battle for municipal reform in America's third largest city, Philadelphia.

On May 2nd the State Senate passed by a vote of thirty-eight to eight the city manager-proportional representation bill sponsored jointly by Senators Woodward (Republican) and Shapiro (Democrat). Governor James, who had promised home rule for Philadelphia during his election campaign last autumn, announced early in May that he would sign the bill if passed by the House of Representatives. At that time hopes ran high that Philadelphia would achieve its long desired modern form of city government. If the legislature had passed the measure the people of Philadelphia would have been called upon to approve or reject it at a special election which, under the provisions of the bill, would have been held four weeks after its enactment.

A survey conducted in March by the *Philadelphia Evening Bulletin*, under the supervision of Dr. George H. Gallup and the American Institute of Public Opinion, showed that 72 per cent of all citizens questioned expressed an opinion on the new charter and that 76 per cent of that number would approve the proposal. But the charter never reached this final stage. After its passage through

the Senate, the bill was sent to the House of Representatives. The House referred it to its Committee on Cities of the First Class which in turn appointed a subcommittee to give it "thorough and intensive study." And there it remained until the legislature finally adjourned on May 30th.

Philadelphia's fight for a new form of city government has a long history. Since 1919 the city has been operated under a mayor-council charter. This charter was hailed at the time of its enactment as a big step forward because it abolished the old-fashioned two-chambered council and reduced the city's legislative body from 145 to 22 members. It has nevertheless not worked very well. The main defects were two: (1) it could not correct the division of authority between city and county, co-extensive in Philadelphia, which had been abolished by an act of consolidation in 1854 but restored by judicial interpretation of the Pennsylvania constitution of 1874; and (2) it did not eliminate the division of authority between mayor and council, the inherent weakness of all mayor-council charters.

In November 1922, article XV, section 1, of the Pennsylvania constitution was amended to read: "Cities, or cities of any particular class, may be given the right and power to frame and adopt their own

charters and to exercise the powers and authority of local self-government, subject, however, to such restrictions, limitations, and regulations as may be imposed by the legislature." As early as 1929 a bill was introduced into the legislature amending the 1919 charter to provide for a council-manager form of government with election of city council by proportional representation. The same bill was introduced again in 1931. Both, however, were defeated.

CHARTER COMMISSION APPOINTED

In 1937 a constitutional amendment to consolidate the city and county of Philadelphia was voted upon by the electors, but although it received a majority in Philadelphia it was defeated in the state as a whole. While the campaign for this consolidation amendment was under way and its passage was hopefully expected, the matter of charter reform was taken up again. In April 1937, in pursuance of an act passed by the legislature, the Governor and the legislature appointed the Philadelphia Charter Commission, headed by Thomas Evans and composed of members of both parties, Senators and Representatives, public officials, representatives of employers and labor, and prominent citizens. Its staff was headed by Rollin B. Posey, of the Institute of Local and State Government of the University of Pennsylvania, as executive secretary. Shippen Lewis, Esquire, of the Philadelphia Bar, was its chief counsel. After eighteen months of investigation and study this commission submitted its report in September 1938.

It based the new charter which it proposed for Philadelphia on the

1922 constitutional home rule amendment. A referendum was required to put it into effect after its passage by the legislature. It provided further that in future nothing but an ordinance of city council would be required to amend those articles of the charter which deal with the Departments of Recreation and Parks, Public Health, Medical and Social Welfare, Detention and Correction, Public Safety, Public Utilities, Public Works, City Property, and Law, and that all other articles could be amended by ordinance of council with the approval of the electors. Only with regard to amendments so passed by council and approved by the electors which would alter the basic principles of the proposed system did the proposed charter reserve to the state legislature the right to interfere.

In drafting the new charter the Philadelphia Charter Commission made use of the latest experience available in the field of municipal government. The result is a council-manager charter designed to suit the needs of a city much larger than those to which this form of government has so far been applied.

P. R. FOR COUNCIL

The legislative power is concentrated in the city council to consist of eleven members elected by the city at large according to the Hare system of proportional representation, after candidates have been nominated by petition. This council is to elect a mayor from among its members as its presiding officer and as the city's ceremonial head. The chief executive shall be a city manager elected by council for an indefinite term of

office and removable at its pleasure. He need not be a resident of the city at the time of his election. The city's administration is divided into fourteen departments the heads of which, with the exception of the city controller and the city treasurer who under the state constitution are elective officers (and also county officers), are appointed by the manager. His appointments are not subject to the approval of council. The city manager is also given the right to appoint and remove, subject to the provisions of law as to civil service, all officers and employees in the departments which are under a head appointed by him.

The civil service is greatly strengthened and expanded. The administration of the service is put into the hands of a personnel director, selected by the manager from the three highest candidates on an eligible list established by competitive examination. The quasi-legislative and quasi-judicial functions of adopting and changing rules for the administration of the service, approving a classification plan to be prepared by the personnel director, making investigations concerning the civil service provisions, and hearing and deciding appeals from employees who have been dismissed, reduced in pay or demoted, are put into the hands of a Civil Service Commission of three members. This commission is elected by council by a method which gives any minority group that controls more than one-fourth of council a representative on the commission. No person who holds any public office or who within one year preceding his election has been an officer of a political party or a member of a committee

of a political party shall be eligible to serve as commissioner. The number of positions in the unclassified service is reduced, temporary exemptions are forbidden, and provisional appointments permitted only if the personnel director fails to certify to the appointing authorities the names of eligible candidates from employment lists within thirty days. The adoption of a classification plan by the Civil Service Commission and of a compensation plan by council is made mandatory. The persons in the classified service are given the right to appeal to the Civil Service Commission in case of dismissal, reduction in pay, or demotion, and the commission's decision is ultimately binding upon the appointing authority. To safeguard the provisions as to civil service, any taxpayer is given the right to institute a taxpayer's suit against violations of the law.

In view of Philadelphia's financial position, the chapter of the proposed charter dealing with finance was written with particular care. A Department of Finance is created in which all activities having a bearing on the city's financial policy are concentrated. The task of preparing the budget, at present performed by a clerk in the mayor's office, is transferred to a Budget Bureau headed by a budget director in the Department of Finance, which is under the city manager. This bureau will not only prepare the budget but supervise and control the expenditures of all departments and agencies throughout the year. In addition to the current budget a capital budget has to be prepared, showing what financial obligations will arise for the city each year due to carrying out a plan of

capital expenditures to be designed for ten years ahead.

DEBT PROVISIONS

In order to check further increase in the city's debt the charter provides that in future all capital projects must be financed by serial bonds instead of sinking fund bonds, and that 2 per cent of the capital budget in the first year and an additional 2 per cent in each following year are to be paid out of current expenditures, thus putting the city on a pay-as-you-go basis at the end of fifty years. In determining the amount of the capital budget to be met out of current revenue, self-liquidating projects and projects involving a capital outlay of more than ten million dollars may be left out of consideration. Strong legal safeguards are provided to make sure that all expenditures the city must make are included in the budget and that the revenues through which it is expected to pay for them are not overestimated.

The assessment of taxes, at present a function of the Board of Revision of Taxes, is transferred to a newly created Bureau of Assessments in the Department of Finance. At present the Board of Revision of Taxes not only makes the assessments but also hears and decides appeals from taxpayers against its own assessments. The new charter, following the principle that administrative and judicial functions must be separated, creates a Board of Assessment Appeals to be appointed by the judges of the Court of Common Pleas.

The Department of Supplies and Purchases is abolished, and its place is taken by a Purchasing Bureau in

the Department of Finance. This bureau will make all purchases "to be paid for out of the city treasury," thereby bringing the county offices as well as the city offices under the authority of this centralized purchasing agency.

In accordance with its general tendency to make the city's administration think in terms of a systematic and farsighted policy, the new charter creates a Department of City Planning. Philadelphia has had a Planning Commission since 1919, but it has never had any real power and the studies it has made with the assistance of WPA funds have not been given proper consideration by city officials. The two main functions assigned to the new department are the preparation of a master city plan and of the yearly capital budgets. Attached to the new department is a Planning Board, composed of seven appointed and six ex-officio members. This board will have far-reaching powers with regard to the master plan and the capital budget. Council will be bound by its decisions unless it overrules them by a two-thirds majority.

In dealing with relations between city and county, one of the major sources of the city's administrative and financial difficulties, the Charter Commission was greatly handicapped by the defeat of the constitutional amendment aiming at their consolidation. Most county offices are protected by the constitution. The salaries of a number of county officers are fixed by law, in the case of others the sole power to fix them is given to the officers themselves. How far city council may use its power as the county's tax-levying body to control

the remaining expenditures of the county offices and agencies is at least doubtful. The Charter Commission tried to solve one of the most urgent problems with regard to city-county relations by submitting with the charter an ancillary bill establishing the merit system in county offices and providing that the city's Civil Service Commission shall act also as County Civil Service Commission. At present no county offices are subject to civil service regulations. This ancillary bill, however, did not even pass the Senate.

Immediately after the Charter Commission published its report proposing a new charter, a citizens' campaign for its adoption was inaugurated. Philadelphia is very fortunate in having an old established organization for such purposes—the City Charter Committee. It is one of those nonpartisan organizations of private and independent citizens from all sections of the community which, like the Citizens' Union in New York and the Charter Committee in Cincinnati, have contributed so much to the promotion of better municipal government in the larger cities. It was originally created to sponsor the 1919 charter and it proposed the first council-manager charters in 1929 and 1931. Now, after the publication of the Charter Commission's report, it was reorganized to lead the campaign for the new charter. Its chairman is Thomas Raeburn White, one of Philadelphia's most prominent lawyers.

CAMPAIGN ORGANIZATION

Headquarters were set up in the center of the city with Frederick P.

Gruenberg as executive secretary and Walter J. Millard, field secretary of the National Municipal League, as educational director. Quickly a large number of volunteer workers rallied around the committee. A speakers' bureau was organized to meet the mounting demand from all sorts of groups for speakers to explain the issues involved. More than a hundred organized civic, business, trade, and professional groups formally endorsed the new charter. A Women's Division started to organize the women and succeeded in setting up permanent groups, each headed by one Republican and one Democrat, in most of the wards of the city. Petitions were circulated and signed by more than 100,000 people. A separate organization, the Charter League, undertook particularly to interest the younger people in the charter. The committee's publicity department succeeded in obtaining the cooperation of daily newspapers and neighborhood papers and towards the end of the campaign all four major daily newspapers in Philadelphia supported the demand for home rule embodied in the new charter.

The Charter Committee's cause was greatly strengthened when at the end of 1938 and the beginning of 1939 a grave crisis developed in the city's administration that made citizens conscious of a state of affairs that had taken shape gradually over a period of many years. This crisis was mainly characterized by a complete deadlock in the city's financial administration. In addition to a net bonded debt of approximately \$400,000,000, which absorbs about 46 per cent of the city-county government's annual revenues for debt service, cur-

rent deficits created by short-changing appropriations and overestimating revenues reached approximately \$40,000,000.

Faced with this situation city council did not adopt a budget for 1940. For the purpose of funding the deficit and meeting the city's most urgent obligations, it started negotiations for a \$50,000,000 loan with the R.F.C. and a group of banks, for which it proposed to pledge the rentals from the city-owned but privately-operated gas works over a long term of years. As this paper is being prepared no city budget has as yet been adopted and the payrolls for the city's employees have to be released from month to month by permission of the courts.

Approximately two-thirds of Philadelphia's city debts were contracted in the twenties. It should be remembered that in those years of prosperity, which were expected never to end, cities not only in the United States but all over the world invested huge sums in all sorts of buildings and other structures, which at that time were considered to be necessary or desirable. But Philadelphia's indebtedness is higher than that of most cities of the same or similar size. It is harder to bear because it rests on a city whose economic life has declined lately for other than cyclic reasons. And part of the money has been spent at least unwisely, if not carelessly.

CITY SERVICES POOR

It might be regarded as tolerable, although undesirable, that a city of the size and economic resources of Philadelphia incurred such an

amount of debt if as a result its citizens had received exceptionally good municipal services. But at present some of these services are below the standards reached in other cities. This is particularly true of water supply, sewer program, and police and fire protection. Certain other much needed services are not provided for at all. For instance, Fairmount Park in the northwest of the city is one of the largest municipal parks in the world. But it is many miles away from the city's most densely populated areas in the northeast and south and is therefore of little service to the people living there. Yet in these areas, where open spaces and recreation facilities are more urgently needed than anywhere else in the city, they are almost entirely lacking.

All these facts were strong arguments for the proponents of the charter, who advocated it not as an end in itself but only as a means of giving Philadelphia a better municipal administration, and under their influence the charter campaign developed into a strong popular movement. What gave this movement its real strength was the fact that it was not only backed by the political party opposed to the present city government—the Democrats—but also by a large number of independent Republicans, and that its leadership was recruited largely from the latter group.

That the charter nevertheless did not pass the legislature was due to the particular political set-up that resulted from the 1938 elections in Pennsylvania. These elections gave control over the legislature that decided the fate of the bills to the same

political party that dominates Philadelphia's city government.

Today, nearly four months after adjournment of the legislature, it may safely be predicted that the fight for a new city charter for Philadelphia will go on. All qualified observers agree that this time the campaign for a new city charter has gone much deeper into the consciousness of the masses than ever before. The Charter Committee publicly announced its determination to continue the fight for the new charter. Moreover, the conditions which the charter meant to change continue to exist and will, by their very existence, keep the charter issue alive. It will dominate the municipal elections which will be held this November. At these elections the present administration will be opposed by a coalition of Democrats, independent Republicans, and charterites, that will make the charter one of its main campaign issues. If the elections bring into City Hall a new government, that

administration itself will probably feel the desirability of improving the mechanism with which it is required to work. If the present forces remain in power, they will probably add fresh fuel to the fire of public discontent and thereby emphasize the need for reintroducing the charter bills in the 1941 legislature.

There exists, as every student of political science knows, throughout all great American cities a very definite trend away from the system of patronage which may have been, although not satisfactory, at least endurable thirty or forty years ago, and towards a system of public service which alone may be regarded as adequate to cope with the social and economic conditions of the present day. Philadelphia, traditionally hesitant to accept innovations, may follow this trend more slowly than other cities, but it is bound to follow it sooner or later if it is to hold its place among the great cities of this country.