

Testimony given to City Council April 13,2005 presented by Rosemary Cubas

## Philadelphia City Council Hearings on the Budget

Greetings City Council Members and Madame President, Anna Verna

Thank you for the opportunity to share my concerns & suggestions with you today regarding the danger of cutting the Business Privilege Tax under the misconception that this will improve the City's overall well-being and survivability.

My name is Rosemary Cubas. I am a resident of Philadelphia for 36 years; more than ½ of my life. I work with the Community Leadership Institute which focuses on developing the leadership skills of residents in N. Philadelphia and other parts of the city so they can stabilize and grow their neighborhoods. We have a membership of 250. I also work with the Citywide Coalition to Save Our Homes, a movement of low-income homeowners and residents who have chosen to stay in the homes and neighborhoods they have struggled to improve despite City attempts to dispossess them through Eminent Domain abuse, selective License and Inspection targeting and other methods, to promote the gentrification of their neighborhoods which will price them out of Philadelphia. The Citywide Coalition membership numbers in the several hundreds. I am here today speaking as a long-time resident who loves Philadelphia and plans to stay here in my home; and on behalf of the other members of the Citywide Coalition to Save Our Homes who also plan to live, grow and thrive with Philadelphia .

We know from decades of experience that the \$300 million projected to be cut in Business Privilege tax, will fall on the already overtaxed and underserved majority of low and middle income residents of this city and require the cutting of even more vital services. We fear that this will make Philadelphia less livable for all who want to stay or come to make their home here, despite all the amenities the City projects and the promises it makes to attract a more affluent population.

Instead of this "*top down, cut the tax and they will come*" policy proven time and again to be unsuccessful in the long run, the city could take a proven grass-roots-up approach and recognize the enormous resource it has in its present population to create a basis for a sustainable viable city. In a recent report the Brookings Institute, a think tank, recognizes that if the city enabled low income working families to get fairer priced utilities, insurance, groceries and other consumer necessities they would be able to accumulate wealth, contribute to the city's long term sustainability and improved quality of life, instead of their limited resources being siphoned out of the city through unnecessarily inflated and exploitative prices.

The proposed \$300 million cut in Business Privilege tax will result in direct lay-offs of city workers and therefore, decreased city services. This will result directly in lower quality of life for all its citizens, but especially the most vulnerable and least able to replace the cuts at personal expense. Cuts in library services, recreational facilities, service for seniors and kids among other things, will mean a slow but violent death for many neighborhoods.

Building our existing population into a skilled, stable workforce; enabling small businesses to grow; and protecting low income residents so they receive a fairer shake from inflated market forces is more likely to attract wanted corporations than cutting Business Privilege tax and driving the city further into decay.

I/we ask that you do not approve the proposed cut in Business Privilege Taxes. Thank you