

Mayor Kenney, labor leader Dougherty clash with Council over union diversity

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By **Andrew Seidman & Holly Otterbein** - Staff Writers

Mayor Kenney's signature \$500 million public works initiative is being threatened by a dispute over a commitment to diversify Philadelphia's building trades unions.

Kenney and the trades' leader, John "Johnny Doc" Dougherty, are clashing with City Council over the terms of an agreement to boost minority participation among the construction unions. Dougherty said he won't negotiate further with Council after having struck an accord with the mayor.

"That's the only deal they're getting from me," Dougherty said. "These agreements are perfect for trying to break the lack of inclusion in the trades."

Dougherty's remarks came as Kenney has lashed out at Council for its refusal to pass legislation that would authorize construction to begin in his [18-month plan for the first round of projects](#) to reshape parks, libraries, and recreation centers.

"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," Kenney, a Democrat, [wrote](#) in a letter Friday to Council President Darrell L. Clarke.

"The lack of progress has put the program in doubt for all Philadelphians eagerly awaiting these investments," the mayor said, noting that it had been nearly a year since [Council provided initial approval for the initiative](#), known as Rebuild.

Kenney is also seeking Council approval for a property-tax hike to fund city schools. He is up for reelection in 2019.

Under the memorandum of understanding signed May 3 by Kenney and Dougherty with regard to Rebuild, the building and construction trades committed to adopting a goal of 40 percent minority participation and 5 percent female participation "in the building trades workforce in the Philadelphia area."

Dougherty, business manager of Local 98 of the International Brotherhood of Electrical Workers, signed the agreement on behalf of the 21 unions in the Philadelphia Building and Construction Trades Council. But he's the only labor leader who signed it, and some Council members worry the document wouldn't be legally binding on other unions, said two Council sources, who asked not to be named discussing the sensitive issue.

Said one: "What we have seen was not felt to be ironclad."

Dougherty shot back: “It’s an ironclad statement. These are the same people who were playing politics with the mayor because they don’t want the mayor to succeed. ... The mayor is the most popular elected official in the region.”

“I think this Council is slowly becoming an anti-business council,” he said.

Rebuild is funded by the city’s 1.5 cent-per-ounce tax on soda and other sweetened beverages. Kenney’s administration [scaled back the overall spending](#) for the program when the mayor introduced his fiscal year 2019 budget in March.

City officials said the spending on Rebuild — as well as pre-K and community schools, which the tax is also funding — changed because the tax brought in less revenue in its first year than initially projected.

The fate of the controversial tax is uncertain; the Supreme Court is scheduled to hear oral arguments Tuesday morning on the tax’s legality. City officials have said that expansion of programs funded by the tax is on hold until the litigation is settled.

The Kenney administration says it is now scaling back the program in order to expedite construction. Instead of issuing bonds through an authority, the city wants to do so through general obligation borrowing. But the administration was unable to provide an estimate for what it would spend on the initiative under the new approach.

City officials also said the administration would tap \$8 million that had been approved for the fiscal year 2018 capital budget. Kenney wrote in the letter that he would begin using those funds immediately, without seeking an OK from Council. The mayor would need its approval for the vast majority of the money he wants to spend.

The mayor submitted the 18-month plan for the [first round of Rebuild projects](#) to Council in November. Council held a hearing on the legislation in March and again this month.

But Council hasn’t passed it.

“All of this could have been avoided if Council had a seat at the table” during negotiations with the building trades, said Councilwoman Cindy Bass.