

**City of Reading City Council**  
**Regular Meeting**  
**November 23, 2015**

Council Vice President Reed called the meeting to order.

The invocation was given by Councilor Daubert.

All present pledged to the flag.

The Committee of the Whole meeting included an executive session on the contracts for the Penn Street properties.

**ATTENDANCE**

Councilor Daubert, District 1  
Councilor Goodman-Hinnershitz, District 2  
Councilor Sterner, District 3  
Councilor Marmarou, District 4  
Councilor Reed, District 5  
Councilor Slifko, District 6  
City Auditor D. Cituk  
Solicitor C. Younger  
City Clerk L. Kelleher  
Managing Director Snyder  
Mayor Spencer

**PROCLAMATIONS AND PRESENTATIONS**

The City Clerk administered the oath of office to  
1st Deputy Fire Chief Kent A Born  
2<sup>nd</sup> Deputy Fire Chief Brian L Thorpe  
Fire Supression Lieutenant Andrew F Getka

**PUBLIC COMMENT**

Council Vice President Reed stated that there are four (4) citizens registered to address Council on non-agenda matters. She asked if any Councilor objected to suspending the rule requiring non-agenda comment at the end of the meeting. As no one objected, the rule was suspended.

Councilor Daubert read the public participation regulations adopted by Council to those present.

**Alan Shuman, of Reading**, stated that two and one half years ago the City spent approximately \$3M to purchase the five (5) Penn Street properties and subsequently entered into a partnership with Our City Reading (OCR) to rehabilitate and seek tenants for the properties. When the City purchased the properties, they became exempt from property taxes and the DID assessment eliminating approximately \$300K in revenue. He expressed the belief that the properties are not being rehabilitated and are wasting away like the Elk's Club (aka Trexler Mansion) at 5<sup>th</sup> and Franklin and the properties in the vicinity of 2<sup>nd</sup> and Washington.

**Christopher DiAnna, of Bingaman Street**, submitted a petition containing approximately 95 signatures of citizens who reside in this 6<sup>th</sup> and Bingaman neighborhood in opposition to the Dollar General. He questioned the effectiveness of the process used to inform area residents about the proposed use of this site. He stated that having a Dollar General at this location would take business away from the existing businesses already in this neighborhood. He also expressed the belief that having this business in this neighborhood would cause public safety, traffic and congestion in an already problematic area. He asked Council to investigate the process used by the zoning administrator and the Zoning Hearing Board. He also questioned why the Zoning Hearing Board approved the project so quickly.

**Shelia Perez, of Weiser Street**, stated that she was told that the group opposing the reauthorization of DID cannot use a form letter to obtain "NO" votes. She asked the City to provide her with the proper format for a letter that will be accepted. She stated that she has requested assistance from several parties at City Hall but she has not received a response. She noted that the Neighborhood Improvement District (NID) Act legislation does not define the format for the required opposition letter. She described the format of the letter the opposition group is using. She requested clarification.

**Maryann Ciarlone, of North 5<sup>th</sup> Street**, described the ethical problems associated with anonymous complaints. She stated that former Managing Director Steve Bonczek eliminated the City's ability to take anonymous complaints shortly after the new form of government began; however, that practice has stopped. She stated that an anonymous complaint was made about one of her properties that was invalid and incorrect. She stated that current staff members refused to identify the person who filed the complaint. However, she stated that through further investigation, she learned that the complaint was filed by a female who does not fill an elected position and is in this room this evening.

## **APPROVAL OF THE AGENDA & MINUTES**

Council Vice President Reed called Council's attention to the minutes of the November 9<sup>th</sup> meeting and to the agenda for this meeting. She noted the need to withdraw Resolution A under the Consent Agenda heading regarding the transfer of funds to Wells Fargo Bank.

**Councilor Daubert moved, seconded by Councilor Slifko, to approve the agenda including the legislation listed under the Consent Agenda heading, as amended, and the minutes as listed. The motion was approved unanimously.**

## **Consent Agenda**

**A. Resolution No. 90-2015** - allowing the property at 247 Washington Street to be converted to rental housing and to be transferred to Reading Housing Authority as a rental property for low and moderate income level households

## **ADMINISTRATIVE REPORT**

The mayor issued a proclamation to supporters of the Bike Hub and noted the City's receipt of Bronze level recognition as a Bike Friendly Community. He stated that his administration applied for this recognition three times over the past four (4) years.

## **AUDITOR'S REPORT**

The auditor's report was distributed at the meeting; in summary:

- Update on the collection of the Admissions Fee/Tax
- Update on the collection of the Real Estate Tax
- Issuance of the Auditor's comments on the 2016 Budget, as required by the Charter

Councilor Goodman-Hinnershitz thanked the Auditor for participating in the budget review meetings.

## **ORDINANCES FOR FINAL PASSAGE**

**A. Bill No. 66 - 2015** – providing for a commuter tax of up to a maximum of 1.3% on all earned income and net profits generated in the City of Reading for 2016 ***Introduced at the October 12 regular meeting; Advertised October 6th***

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Daubert, to enact Bill No. 66-2015.**

The Managing Director stated that the commuter tax is permitted only while the City is an Act 47 City. She stated that the amount is unchanged. However, she noted that this year 0.1% of the commuter and resident EIT is allocated for capital repairs to the City's neglected infrastructure.

**Bill No. 66-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**B. Bill No. 67 - 2015** – setting the property tax rate at .017689 on the dollar, or \$17.689 on each one thousand dollars for 2016 *Introduced at the October 12 regular meeting; Advertised October 6th*

**Councilor Slifko moved, seconded by Councilor Marmarou, to enact Bill No. 67-2015.**

The Managing Director stated that the property tax will increase in 2016 by 2 mils with 0.2 mils dedicated to the Shade Tree Commission and 0.2 mils to the Library.

Councilor Goodman-Hinnershitz noted her belief in the process Council used to determine the need for a property tax increase; however, she stated that she will not support the increase as it will offer support to non-core services.

Councilor Sterner agreed with the dedicated millage to the Library due to the services the Library provides to the greater community. He stated that while no one likes to see property taxes increase, this increase was required due to the rising cost of the pension and health care legacy costs. He encouraged all residents to contact their State legislators about the need for broad pension reform.

Councilor Daubert agreed that no one is enthusiastic about increasing tax rates, especially those required to meet the growing cost of legacy costs.

Councilor Slifko echoed the remarks thus far and stated that he will reluctantly support this tax increase as it is needed to meet the financial obligations of the City. He noted that over the last four (4) years, the pension costs grew by \$8M. He stated that these costs required a tax increase and use of the Reserve. He also encouraged all residents to contact their State legislators about the need for broad pension reform.

Councilor Marmarou stated that he will vote in favor of the increase in taxes and he reminded everyone that the growing police pension costs are the fault of the last administration. He stated that the former administration awarded a contract that allowed 70% pensions, which is illegal in Pennsylvania. He noted that pension reform will not correct this problem.

Councilor Goodman-Hinnershitz expressed the belief that the budget review process used this year helped Council make sound decisions. She thanked the Managing Director and her staff for their preparedness and help. She expressed the belief that a dedicated millage for library services should be approved by referendum.

Councilor Marmarou noted that in addition to the rising pension costs, police retirees also use \$1.1M in health coverage, although the majority of the retirees have become re-employed and they refuse to take the healthcare coverage offered by their current employer.

Councilor Reed expressed the belief that the City's core service needs should be funded before the City makes contributions to other organizations. She expressed her belief in the open process used to make budget related decisions.

**Bill No. 67-2015 was enacted by the following vote:**

**Yeas: Daubert, Marmarou, Slifko, Sterner - 4**

**Nays: – Goodman-Hinnershitz, Reed - 2**

**C. Bill No. 68 - 2015 – approving the 2016 General Fund Budget *Introduced at the October 12 regular meeting; Advertised October 6th***

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Slifko, to enact Bill No. 68-2015.**

The Administrative Services Director reviewed the major changes made to the originally proposed budget in open meetings. He stated that the originally proposed property tax rate was not changed; however, the review process did reduce the use of the Reserve. He thanked all who participated in the review process.

Councilor Goodman-Hinnershitz gave an overview of the work that went into the budget review process over 13 meetings. She expressed the belief that the City is still on shaky financial ground so outside agencies should not receive City funding. She noted that the budget is in compliance with the Amended Act 47 Recovery Plan.

Councilor Sterner thanked all who participated in the budget review process. He stressed the need for the administration to focus their efforts on the actual collection of all delinquent taxes and fees.

Councilor Reed concurred with the stance of Councilor Goodman-Hinnershitz.

The Auditor thanked everyone who participated in the budget review meetings.

**Bill No. 68-2015 was enacted by the following vote:**

**Yeas: Daubert, Marmarou, Slifko, Sterner - 4**

**Nays: – Goodman-Hinnershitz, Reed - 2**

**D. Bill No. 69 - 2015 – approving the 2016 Capital Improvement Plan *Introduced at the October 12 regular meeting; Advertised October 6th***

**Councilor Daubert moved, seconded by Councilor Slifko, to enact Bill No. 69-2015.**

The Managing Director stated that this is the first Capital Plan that included City infrastructure projects for some time. She noted that the City's infrastructure was neglected for years. She stated that this five (5) year plan will allocate capital funds to Public Works, Fire and technology.

Councilor Goodman-Hinnershitz noted that the amount of deferred maintenance will be uncovered by the preparation of an assessment report bring prepared by PFM.

**Bill No. 69-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner – 6**

**Nays: – None - 0**

**E. Bill No. 70 - 2015 – approving the 2016 Position Ordinance *Introduced at the October 12 regular meeting;***

**Councilor Daubert moved, seconded by Councilor Goodman-Hinnershitz, to enact Bill No. 70-2015.**

The Managing Director stated that the Position Ordinance authorizes 575 fulltime and 135 part-time positions for 2016. She explained that the Amended Recovery Plan has a cap that limits salary increases and new hires. She noted that there are many unfilled positions and that cuts over the past years have left a skeletal staff.

Councilor Sterner questioned the number of jobs cut over the past 13 years. Ms. Kelleher expressed the belief that well over 100 positions were eliminated.

Councilor Sterner noted that his first year on Council the annual budget was valued at \$44M.

In response to a question from Councilor Goodman-Hinnershitz, the Managing Director stated that no positions are eliminated for 2016; however, some are shuffled into different areas. She stated that the non-emergency wheelchair transportation program was eliminated earlier this year, which eliminated approximately five (5) positions in the Fire workgroup.

Councilor Sterner commended City staff for keeping up with the work flow despite the reduction in jobs.

**Bill No. 70-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**F. Bill No. 71 - 2015** – Establishing the annual salary of the City Solicitor at \$72,000, effective July 1, 2015.

**Councilor Daubert moved, seconded by Councilor Sterner, to enact Bill No. 71-2015.**

The Managing Director explained that this increase is less than 3% and should have moved forward with the other adjustments that were made over the summer. She noted that this increase is needed due to the market value of the position and equity within the office

Councilor Daubert expressed the belief that this salary is well under that paid to other municipal solicitors.

**Bill No. 71-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**G. Bill No. 72 -2015** – amending the Fee Schedule by increasing the curbside collection fee with and without municipal trash service as follows:

Curbside waste collection with municipal trash service ~~\$303.10~~ \$315.00

Curbside waste collection without municipal trash service ~~\$91.83~~ \$95.04

Penalty: Any unpaid curbside waste collection fee not paid by ~~December 31 of the year it was~~ the date due shall incur a 10% penalty, and may be subject to additional collection costs and fees.

***Introduced at the 11-9-15 regular meeting; Advertised 11-16-15***

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Daubert, to enact Bill No. 72-2015.**

Councilor Daubert stated that this increase is less than \$1 per month per household. He questioned the application of the 10% penalty.

Councilor Goodman-Hinnershitz agreed with the need to reconsider the penalty.

**Councilor Slifko moved, seconded by Councilor Daubert to strike the penalty paragraph in the ordinance and reconsider new language before the end of the year.**

The Solicitor noted that if the amendment is approved the existing language will remain in place.

Councilor Sterner suggested revisiting the penalty issue at a later time.

**The amendment to Bill No. 72-2015 was NOT adopted by the following vote:**

**Yeas: Daubert, Reed, Sterner, - 3**

**Nays: – Goodman-Hinnershitz, Marmarou, Slifko - 3**

**Bill No. 72-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**H. Bill No. 73 -2015** – authorizing the transfer of funds from General Fund Debt Service Accounts to General Fund Accounts – Rental/Lease and Contingency to pay loan balance to First Columbia Bank & Trust for the Honeywell loan.

**Councilor Daubert moved, seconded by Councilor Slifko, to enact Bill No. 73-2015.**

The Managing Director stated the savings from the refinance of another debt allowed the early repayment of this loan. She noted that a savings will be realized.

**Bill No. 73-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**I. Bill No. 74 - 2015** – creating a Land Bank Board in accordance with the provisions of Act 153, enacted by the PA General Assembly on October 24, 2012, to return vacant property to productive status using a unified, predictable, and transparent process, thereby revitalizing neighborhoods and strengthening the City's tax base. ***Introduced at the 11-9-15 regular meeting; Advertised 11-16-15***

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Sterner, to table Bill No. 74-2015.**

**Bill No. 74-2015 was tabled by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**J. Bill No. 75 -2015** – approving the 5<sup>th</sup> addendum to the water system lease with RAWA

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Slifko, to table Bill No. 75-2015.**

**Bill No. 75-2015 was tabled by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**K. Bill No. 76 -2015** – approving the amendment to the lease agreement with the Parking Authority

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Sterner, to table Bill No. 76-2015.**

**Bill No. 76-2015 was tabled by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**L. Bill No. 77 - 2015** – amending the City Code Chapter 508 Streets and Sidewalks, Part 7 Street Cut Permits regarding gas meters ***Introduced at the 11-9-15 regular meeting; Advertised 11-16-15***

**Councilor Marmarou moved, seconded by Councilor Goodman-Hinnershitz, to enact Bill No. 77-2015.**

Councilor Slifko explained that this amendment makes minor changes and clarifications to the original ordinance. He noted that the amendment also provides flexibility to the decision making ability of the Public Works Director. He stated that the amendment does not weaken the terms of the ordinance.

The Managing Director noted that these regulations do not apply to roads controlled by PennDOT.

**Bill No. 77-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**M. Bill No. 78 - 2015** - amending the City Code Chapter 308 Housing Ordinance by retitling Part I and Part III, deleting non-applicable definitions, changing all references to housing permits to housing registration, further defining the registration and inspection requirements as well as renaming the applicable appeals board to the Code and License Appeals Board ***Introduced at the 11-9-15 regular meeting; Advertised 11-16-15***

**Councilor Daubert moved, seconded by Councilor Sterner, to enact Bill No. 78-2015.**

The Managing Director stated that the Bill No. 78 and 79 make changes to the cumbersome process used for housing registration. She stated that this ordinance also allows the City to revoke permits if the owner has delinquent fees. She described the work to ensure that the process used is fair.

**Bill No. 78-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**N. Bill No. 79 - 2015** - amending the City Code Chapter 212 Fee Schedule Part 116 Rental Housing Inspection ***Introduced at the 11-9-15 regular meeting; Advertised 11-16-15***

**Councilor Marmarou moved, seconded by Councilor Slifko, to enact Bill No. 79-2015.**

**Bill No. 79-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**O. Bill No. 80 - 2015** – amending the City Code Chapter 212 Fee Schedule Part 128 Rental Housing Inspection ***Introduced at the 11-9-15 regular meeting; Advertised 11-16-15***

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Marmarou, to enact Bill No. 80-2015.**

**Bill No. 80-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**P. Bill No. 81 - 2015** – amending the City Code Chapter 5 Administrative Code, Section 5-212 Ordinances regarding the sale of City owned property

**Councilor Slifko moved, seconded by Councilor Daubert, to enact Bill No. 81-2015.**

**Bill No. 81-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 7**

**Nays: – None - 0**

**Q. Bill No. 82 - 2015** – amending the City's Purchasing Policy by adding provisions for the sale and lease of City owned property

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Daubert, to enact Bill No. 82-2015.**

**Bill No. 82-2015 was enacted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

## **INTRODUCTION OF NEW ORDINANCES**

Councilor Goodman-Hinnershitz read the following ordinances into the record:

**A. Ordinance -** designating 0.1% of the earned income and net profits tax imposed on City of Reading residents and on non-residents of the City of Reading for the calendar year 2016 for capital improvements

**B. Ordinance -** authorizing the transfer of \$30,000 from the 2015 General Fund Contingency to the 2015 Abatement Account in the Property Maintenance Division

## **RESOLUTIONS**

**A. Resolution 101-2015 –** appointing Lorena Keely to the Reading Housing Authority

**B. Resolution 102-2015 –** appointing Ralph Johnson to the Reading Area Water Authority

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Slikfo, to adopt Resolution Nos. 101-102-2015.**

Councilors Marmarou, Goodman-Hinnershitz and Daubert spoke in support of these highly qualified candidates.

Councilor Goodman-Hinnershitz noted the need for those serving on boards to become acquainted with the conflict of interest section of the Municipalities Authorities Act.

**Resolution Nos. 101-102-2015 were adopted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

**C. Resolution 103-2015 –** approving the Conditional Use Application for 922A Franklin Street with conditions

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Slikfo, to adopt Resolution No. 103-2015.**

Councilor Goodman-Hinnershitz explained that it was good to see this property owner reapply after consulting with the proper professionals. She stated that the project is now in compliance with the zoning regulations.

Councilor Slifko noted that this project also puts a neighboring vacant lot into productive reuse.

**Resolution No. 103-2015 was adopted by the following vote:**

**Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Sterner - 6**

**Nays: – None - 0**

### **COUNCIL COMMENT**

Councilor Daubert agreed that a Dollar General store is not a good fit in this First Ward neighborhood. He expressed the belief that it will take business away from existing corner stores.

Councilor Sterner agreed with the concerns expressed about the Dollar General store. He noted that the Hillside Light Display opens next Sunday evening.

Councilor Marmarou announced the CHCC Holiday Party scheduled for Sunday, December 13<sup>th</sup> at 6 pm.

Councilor Goodman-Hinnershitz expressed concern that the 6<sup>th</sup> and Bingaman lot was not properly posted. She noted that Council may be able to appeal the decision on this project. She noted the success of the Holiday Planning Committee and how that planning process will be improved going into next year.

Councilor Slifko announced the Centre Park Holiday House Tour on December 12<sup>th</sup> and 13<sup>th</sup>.

Councilor Reed noted the tree lighting ceremony in Centre Park from 4:30-6:30 on December 5<sup>th</sup>.

Councilor Reed reviewed the upcoming Council meeting schedule.

**Councilor Goodman-Hinnershitz moved, seconded by Councilor Slifko, to adjourn the meeting.**

*Respectfully submitted by Linda A. Kelleher CMC, City Clerk*