

STATED MEETING - CITY COUNCIL – FEBRUARY 24, 2015

A meeting of the Lancaster City Council was held on Tuesday, February 24, 2015 in Council Chambers, 120 North Duke Street, (Rear Annex) Lancaster, PA, at 7:30 p.m., with President Graupera presiding.

The Council led the assembly in the Pledge of Allegiance.

Present – Mr. Reichenbach, Mr. Roschel, Ms. Sorace, Mr. Soto, Ms. Williams, Ms. Wilson, President Graupera – 7

The minutes of the meeting of Council for February 10, 2015 were approved by a unanimous roll-call vote.

PUBLIC COMMENT – Historic preservation consultant Randy Harris, 314 W. Chestnut St., spoke in response to the recent controversy concerning the Armstrong pedestrian bridge. Harris said a way to avoid future controversy is to make more information available to the public earlier in the process. Citing a Historical Commission discussion on demolition of buildings at the former Gunzenhauser Bakery site, at Clay and North Prince streets, Harris said even interested people would not be aware of the project site based on the vague description published on the agenda. He suggested photographs and additional information be published on the city's website, facebook page or disseminated to interested citizens by e-mail and through social media. He offered to help city staff establish such measures.

Gene Aleci, 355 W. Orange St., offered to meet with Council members in committee to discuss urban development, design and historic preservation. Aleci said strategy and planning is needed as more development occurs in the city.

Council President Graupera offered to allow Mr. Aleci to address council at the March or April committee meeting.

REPORTS REQUESTED BY COUNCIL – Economic Development & Neighborhood Revitalization Director Randy Patterson provided an update on the Lancaster City Alliance's strategic economic development plan. The plan now being developed replaces the 1998 LDR plan. That plan was intended to spur economic development. The current plan intends to build on the economic development which has occurred in the past decade. There have been more than 100 meetings to development the new plan, including those with business leaders, entrepreneurs and neighborhood residents. The final recommendations will be presented at a March 19 meeting.

The final report is expected on May 15. Focuses have been on collaboration, development opportunities, entrepreneurial development, tourism, food, housing, extending the downtown, the importance of diversity, walkability, bikeability, workforce resources, development of additional office space, increasing lease rates and other issues.

REPORTS OF COUNCIL COMMITTEES

PUBLIC SAFETY – No report

PUBLIC WORKS COMMITTEE – No report

ECONOMIC DEVELOPMENT & REVITALIZATION COMMITTEE – Councilman Reichenbach reported that the City Revitalization and Improvement Zone board did not meet today because there was no business to discuss. The CRIZ board will meet again March 24 at 4 p.m.

FINANCE COMMITTEE – Councilwoman Sorace said the committee had met earlier in the evening, at 6:30 p.m., to discuss Bill No. 4-2015, which appears later on the agenda.

COMMUNITY DEVELOPMENT & PLANNING COMMITTEE – No report

PERSONNEL COMMITTEE – No report.

City Council considered the following application and Historical Commission recommendation for improvement to properties within the Heritage Conservation District:

1. Longview Structures LLC, 421 S. Prince St., request for construction of new frame additions to a one-story commercial garage. (Recommended for approval.)

Councilman Soto made the motion to approve. Councilman Reichenbach seconded the motion. The recommendation was unanimously approved by a roll-call vote.

OLD BUSINESS

Administration Bill No. 3-2015, (the title) was read by the City Clerk as follows:

An ordinance of the City of Lancaster, Lancaster County, Pennsylvania, restating Chapter 260 of the Code of the City of Lancaster - Stormwater Management - and providing for the means and timing of its implementation; providing for the repeal of inconsistent ordinances; providing for the severability of the ordinance; and providing that the ordinance shall take effect as provided by Pennsylvania law.

Councilman Roschel said the revisions of the year-old ordinance are minor and will tailor the measure to better meet the circumstances of the city. Revisions include exemptions for very small projects, such as patios, doghouses and gardens of less than 100 square feet. Those projects will still need a permit, which allows for city review. Small projects will only be required to place in escrow the amount which would cover the stormwater management portion of the project, and not the full project cost.

Councilman Reichenbach made the motion to approve. Councilwoman Sorace seconded the motion.

The motion was unanimously approved by a roll-call vote.

NEW BUSINESS

Administration Bill No. 4-2015, (the title) was read by the City Clerk as follows:

An ordinance authorizing the incurrence of nonelectoral debt of the City of Lancaster, Lancaster County, Pennsylvania, by the issuance of up to \$6,955,000 principal amount of General Obligation Note, Series of 2015 (The “Note”); issued for the purpose of providing financing for costs of the current refunding of the city’s outstanding General Obligation Bonds, Series of 2010 (The “2010 Bonds”); approving the refunding and authorizing the redemption of the outstanding 2010 bonds; determining to sell the note at a private sale by negotiation or invitation; approving the form of the note; fixing the date, interest and maturity of the note; making a covenant for the payment of the debt service on the note; pledging the full faith, credit and taxing power of this city in support of the note; providing for the filing of required documents; providing for the appointment of a sinking fund depositary for the note; and authorizing execution, sale and delivery thereof, and other necessary actions.

Councilwoman Sorace said it was her pleasure to be reporting on the bill, which will save the city \$545,649.87 with the refinancing of 2010 bonds at lower interest rates. The bonds will be refinanced through a conventional loan from Susquehanna Bank, at a fixed interest rate of 2.41 percent. The cost to the city for the transaction is about \$50,000. The saving will be deposited into the city’s General Fund, with a small percentage going to the city Water Fund.

Ms. Sorace thanked City Administrative Services Director Patrick Hopkins for his diligence in pursuing the refinancing.

This is the first reading of the bill.

Council Resolution No. 8-2015, (the title) was read by the City Clerk as follows:

A resolution of the Council of the City of Lancaster opposing Senate Bill 4 and House Bill 173 as legislative efforts to lower the standard that defines purely public charities, seize power from an impartial judiciary, undermine the finances of municipalities and further burden the taxpaying public.

Councilman Reichenbach made the motion to approve. Councilman Soto seconded the motion.

Councilman Reichenbach explained the resolution is in response to legislative efforts to take the power to define charities – and grant tax-exempt status – from independent judges and give that power to state legislators. Mr. Reichenbach said doing so would open the door to unscrupulous actions by legislators. The resolution registers City Council’s disapproval of the efforts. He said copies of the resolution will be sent to Lancaster County’s state legislators and, at the suggestion of Councilwoman Sorace, to the state House and Senate leaders.

Councilwoman Sorace noted that since the resolution was drafted the state Senate has approved Senate Bill 4. State Sen. Lloyd Smucker, who represents Lancaster city, was one of those voting in support of the measure. Ms. Sorace questioned whether the resolution should not be amended to reflect that change.

President Graupera said the recent vote did not change council’s intent with the resolution. Existing wording continues to reflect council’s disapproval of the Senate measure.

No motions were made to amend the resolution.

Mayor Gray said the issue is really a tax question. He noted it is easy to give things away if there is no effect on you. With passage of measures in the House and Senate, the issue will likely be put before voters on the May primary ballot. Voters will be asked whether the state constitution should be changed to grant legislators the power to identify charities. The mayor recommended local officials alert the public before the election that approval of the state constitution change could mean their taxes could rise to compensate for an increase in tax-exempt charities.

Mr. Reichenbach noted that 30 percent of the properties in the city are now tax-exempt. He could foresee no way that percentage would decrease under passage of the state constitutional amendment. Almost certainly additional charities would be identified and tax rates would rise on remaining taxpayers or city services will be reduced.

Randolph Carney, 128 Sherman Street, a School District of Lancaster board member, said that additional properties taken from the tax rolls will raise already too-high property taxes. He said a constitutional change will have a much greater effect on school taxes than city taxes.

City Council approved Council Resolution 8-2015 by a unanimous roll-call vote.

Administration Resolution No. 9-2015, (the title) was read by the City Clerk as follows:

A resolution of the Council of the City of Lancaster appointing Fredric C. Andes, esquire, and Barnes and Thornburg, LLP, special counsel for the City of Lancaster.

Councilman Reichenbach made the motion to approve. Councilman Soto seconded the motion.

Mayor Gray explained federal Environmental Protection Agency representatives have contacted city officials about meeting in conjunction with Department of Justice attorneys. He anticipates the EPA will seek to negotiate a consent decree that would formalize steps for the city to take to eliminate stormwater runoff into the Conestoga River. Such a decree would be mandated by a federal judge.

The mayor said he believes such a decree could eventually cost the city \$100 million-\$400,000 million and bind the city to specific actions over 20-25 years. Due to the impact of a decree, he believes the city should have specialized legal representation in the negotiations. Andes was recommended after meetings with four lawyers who practice in such negotiations.

Councilwoman Wilson asked whether other municipalities are also facing EPA scrutiny.

Mayor Gray said many other cities have been placed in the same situation. Lancaster had attempted to avoid a consent decree by adopting a 25-year Green Infrastructure Program to reduce stormwater runoff. The EPA has held Lancaster up as a model, yet he was told that EPA officials feel the consent decree is the only way to ensure continued implementation of the program over many years.

Former Mayor Arthur Morris, 434 W. Chestnut St., spoke in support of the resolution and the hiring of special counsel as a means for the city to protect its interests. He noted this was not a new issue. The city worked with the EPA 20-30 years ago to control overflows. He asked what the next steps are in the process and how the public will be informed.

City Public Works Director Charlotte Katzenmoyer responded that a new long-term control plan will be developed and there will be opportunities for public comment and participation in the drafting of that plan.

City Council approved Administration Resolution No. 9-2015 by a unanimous roll-call vote.

REPORT OF THE MAYOR - Mayor Gray read the following prepared statement:

We have received notification from the U.S. Department of Housing and Urban Development that the City's CDBG and Emergency Shelter Grant allocation will both increase slightly in Fiscal Year 2015, approximately \$3,000 in CDBG and \$12,000 in ESG. As you know, these programs provide funding for housing and community and economic development activities. This year, HUD is urging grantees to use CDBG funds, to the extent possible, to support investments in predevelopment activities for infrastructure and public facilities. We will continue to allocate almost a third of the CDBG dollars to infrastructure improvements. The remaining dollars are committed to public safety, code enforcement, housing rehabilitation and

vacant property acquisition and disposition. The primary focus of the City's Emergency Shelter Grant funds will be directed to Rapid Re-housing efforts. The City has agreed to combine its ESG dollars with those of the County and the United Way in a collaborative effort to address homelessness in the community.

Our Common Sense Legal Defense Fund has raised more than \$15,000. Earlier this month, we reported that plans were underway to host a fund raising event on April Fool's Day at Tellus 360. The event will be rescheduled for another date. I'll keep City Council posted as plans progress.

Two other upcoming community meetings will be of interest to City Council. First, Jeff Speck will present initial highlights of his Walkability Study on March 4th at 7 PM at the Ware Center. We expect a final report sometime in mid-to-late March.

The second community meeting is being hosted by the Lancaster City Alliance. The Alliance will hold a public meeting to discuss the Economic Development Plan on March 19th at McCaskey East from 6:30 to 8:30 PM.

2015-2017 Strategic Plan will be released at a 9 AM press conference tomorrow.

And Mayor Gray added that the Cities of Lancaster and Bethlehem jointly hosted a meeting of city mayors and other interested officials on February 13 to discuss the state's City Revitalization and Improvement Program. Lancaster and Bethlehem are the first two cities selected to undertake the program. Mayor Gray said he is hopeful the meeting will result in minor changes to improve the program.

Mayor Gray said he had met that day with Governor Tom Wolf and the mayors of Allentown, Philadelphia and York to discuss the needs of cities. Governor Wolf did not provide details but told them to watch his upcoming budget address. Mayor Gray said it was a positive discussion. The governor is interested in cities and is familiar with the problems cities face due to his involvement with York.

President Graupera asked the mayor about the final report of walkability consultant Jeff Speck. He wished to know in what form Speck's report would be delivered.

Mayor Gray responded the final report will be in writing. He expects the report to be 75-100 pages in length. He said council members will receive a copy.

REPORT OF PRESIDENT – President Graupera had no report.

COUNCIL COMMENTS – Councilman Reichenbach recognized members of Lancaster Unity who were in the audience. He noted the group will have its next potluck event on Saturday, March 7, at 12:30 p.m., at the Crispus Attucks Community Center. He encouraged the public to attend and participate in the community dialogue that occurs at the events.

President Graupera adjourned the meeting at 8:48 p.m.

John E. Graupera, President

Attest:

Bernard W. Harris Jr., City Clerk