

STATED MEETING - CITY COUNCIL – MARCH 28, 2017

A meeting of the Lancaster City Council was held on Tuesday, March 28, 2017 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. Wilson and President Graupera – 4

Excused – Ms. Sorace, Mr. Soto and Ms. Williams - 3

The minutes of the meeting of Council for March 14, 2017 were unanimously approved by a roll-call vote.

INTERIM REPORTS OF COMMITTEES OF COUNCIL

ECONOMIC DEVELOPMENT & NEIGHBORHOOD REVITALIZATION COMMITTEE –
Mr. Reichenbach asked Randy Patterson, City EDNR director, to report on the meeting of the City Revitalization and Improvement Zone Authority, which was held earlier in the day.

Mr. Patterson reported that the CRIZ Authority board reviewed and approved a resolution to amend the application from the Redevelopment Authority of the City of Lancaster and Penn Square Partners. The resolution requested CRIZ assistance to pay a portion of the debt service related to the Lancaster Marriott at Penn Square expansion.

Mr. Patterson said the final design of the 110-hotel room tower addition has been completed and the cost of the project has increased to \$39.4 million since preliminary design estimates of \$29.9 million were presented to Council last year. He said the amended funding plan approved by the CRIZ Authority will pay \$3.4 million in debt service, in addition to the \$5.6 million in the original agreement.

The public funding will pay only for site acquisition, furniture, fixture and equipment costs and fees related to financing. The cost of constructing the hotel addition will be paid by private entities Penn Square Partners. The anticipated revenue returned to the CRIZ Authority from state tax collection from the hotel will exceed the increased cost to the authority in the amended agreement, he said.

Construction of the hotel tower addition is expected to begin this summer.

LEGISLATIVE AGENDA

City Council considered the following application and recommendation from the Historical Commission for improvements to a property in the Heritage Conservation District:

1. Zamagias Properties, owner of 101 North Queen Street, proposes renovation of an existing building, including the replacement of exterior masonry walls with metal panels and the creation of new window openings.
(The application was recommended for approval by the Historical Commission.)

Mr. Reichenbach made a motion to accept the recommendation of the Historical Commission. Mr. Roschel seconded the motion.

Tony Dastra, 113 North Plum Street, stated that he would prefer that this decision be made at a future Council meeting, at which more than four Council members are in attendance. This building project will affect the City for decades and he would like assurances that it will be environmentally friendly, he said.

President Graupera responded that the Historical Commission are the experts on such matters and City Council relies on the commission's recommendation. The commission reviewed the plans and recommended approval.

Ms. Wilson suggested Mr. Dastra attend Historical Commission and Planning Commission meetings if he wishes to hear details of the projects. City Council is the last step on the approval process, she noted.

Mr. Patterson stated the project had undergone a conceptual review and final plan review by the Historical Commission. The commission, which includes three architects, had unanimously approved the plans.

ORDINANCES FOR FINAL PASSAGE

Administration Bill No. 07-2017, (the title) was read by the City Clerk as follows:

An ordinance of the City Council of the City of Lancaster, Lancaster County, Pennsylvania amending Administrative Ordinance No. 10-2016 to name the initial members of the Board of Directors of the City of Lancaster Land Bank Authority; providing for the repeal of inconsistent ordinances; providing for the severability of the ordinance; and providing that the ordinance shall take effect in accordance with Pennsylvania law.

Mr. Roschel made a motion to approve the bill. Mr. Reichenbach seconded the motion.

Mr. Reichenbach said this bill will name the initial members of the board of director of the Land Bank Authority. He expressed his belief that the Land Bank will aid in the redevelopment of underutilized properties within the City.

Mr. Reichenbach read the names of the initial members of the board of directors:

- Randall L. Horst
- Miriam Soto
- J. Douglas Byler
- Jessica King
- Christian S. Levan
- Angela Horst
- Willonda McCloud

City Council approved Administration Bill No. 07-2017 by a unanimous roll-call vote. It will hereafter be known as Administrative Ordinance No. 04-2017.

Administration Bill No. 08-2017, (the title) was read by the City Clerk as follows:

An ordinance of the City Council of the City of Lancaster, Lancaster County, Pennsylvania establishing appropriations for \$1,500,000 from the General Fund Reserve; 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.

Mr. Roschel made a motion to approve the ordinance. Mr. Reichenbach seconded the motion.

Mr. Roschel said this bill allows for an inter-fund loan of \$1.5 million from the General Fund to the newly created LanCity Connect Special Revenue Fund. That money will provide an operating capital loan to MAW Communications for start-up funding for the LanCity Connect broadband service initiative. The \$1.5 million will come from the General Fund Reserve. The reserve will have approximately \$12 million at the end of the year. The loan will fund equipment costs and the costs of hiring and training installers to connect City homes to the broadband system. The loan will be repaid with monthly payments of \$14,671 over 13 years, which includes a 7 percent annual interest rate.

City Council approved Administration Bill No. 08-2017 by a unanimous roll-call vote. It will hereafter be known as Administrative Ordinance No. 05-2017.

Administration Bill No. 09-2017, (the title) was read by the City Clerk as follows:

An ordinance of the City Council of the City of Lancaster, Lancaster County, Pennsylvania establishing appropriations for \$1,500,000 from the Water Fund; 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.

Mr. Reichenbach made a motion to approve the ordinance. Mr. Roschel seconded the motion.

Mr. Roschel said this bill allows for a second inter-fund loan of \$1.5 million from the Water Fund to the newly created LanCity Connect Special Revenue Fund. The funding will pay for the cost of residential internet connection services associated with the LanCity Connect broadband service. These funds are coming from the Water Fund, which will have a \$1.5 million savings in 2017 due to the refinancing of 2007 General Obligation bonds last year.

The City will realize savings associated with the broadband project. The most obvious is that eight personnel who read water meters will no longer be necessary. Water meters will be read remotely by computer.

More significant than those savings are from “non-revenue water,” in which undetected leaks in the water system cause loss of water. Often, revenue from those leaks are eventually written off as uncollectable. Because water bills are done quarterly, it may be months before a leak is detected as a sharp increase in metered water use. Remote reading will detect leaks immediately.

There will be a 13 percent surcharge on LanCity Connect customer bills. Revenue from that surcharge will be used to repay the Water Fund.

City Council approved Administration Bill No. 09-2017 by a unanimous roll-call vote. It will hereafter be known as Administrative Ordinance No. 06-2017.

President Graupera adjourned the meeting at 7:49 p.m.

John E. Graupera, President

Attest:

Bernard W. Harris Jr., City Clerk