

**MINUTES
CITY COUNCIL MEETING
Monday September 27, 2010**

Regular Session

Council President Edward Simpson called the meeting to order at 7:40 p.m. and welcomed everyone to the meeting. Council members present were Messrs., Martin Eggleston, Joseph Hamrick, Ingrid W. Jones and Karen Jorgenson. Staff member present included City Solicitor John Carnes, Interim City Manager Ted Reed, Director of Urban Planning and Codes Enforcement Damalier Molina, Director of Public Works Donald Wilkinson, Director of Finance Stacy Bjorhus, Police Chief Julius Canale and Recording Secretary Ruthann Mowday.

Mr. Simpson announced that Council met in Executive Session earlier on September 27, 2010 at 5:30 pm for the purpose of discussing Personnel.

Mr. Simpson announced Mr. Marking and Mr. Brazzle would not be in attendance.

Approval of Minutes: *September 13, 2010.*

Mr. Hamrick made a motion to approve the minutes for September 13, 2010; Mrs. Jorgenson seconded the motion. Motion passed 5-0.

Approval of Accounts Payable

Mr. Hamrick asked why the report shows outstanding and do we have the funds to pay the bills. Ms. Bjorhus stated technically yes, we have the funds to pay the bills for September. The report shows the checks as being outstanding because they were just cut and have not been sent out. Mr. Eggleston asked Ms. Bjorhus what technically means in paying the bills. Ms. Bjorhus stated the funds are there to pay the bills and in her financial report will explain why she stated technically. Mrs. Jones inquired about the payment to Best Expression. Chief Canale stated Best Expression was used for teen awareness. The monies used came from a grant fund.

Mr. Hamrick made a motion to approve accounts payable listing dated September 24, 2010; Mrs. Jones seconded the motion. Motion passed 4-1. Mr. Eggleston was the dissenting vote.

Additions, Deletions or Modifications to the Agenda

There were no additions, deletions or modifications to the agenda.

Presentations

1. Financial Report – Stacy Bjorhus

MS. Bjorhus stated this is the ending cycle of revenues. This time of year has always been a dry spell. Ms. Bjorhus the negative variance of revenue stems from investment income and the Codes Department fees. The Real Estate tax collection is slightly ahead of last year and the Earned Income Tax (EIT) revenue is still coming into the City. The third quarter EIT should be in November or December with an estimated \$350,000. The expenditures are timing issues which should offset some of these expenses, by year end. The transfer tax year to date revenue is slightly off budget. The building permits are at 24% of the 2010 budget. Investment opportunities need to be engaged to try to earn a fraction amount of the budget item for interest income and rental income. The Police overtime is offset by revenue sources. The current Fire Department overtime is 135% of 2010 budget. The workers compensation

expenses needs to be broken out to each department. The current total unrestricted funds are \$935,576.00 and the restricted funds are \$13,382,982.00.

Mr. Simpson asked Ms. Bjorhus if we have enough cash for the end of the year. Ms. Bjorhus stated yes. Mr. Reed explained the City is awaiting the permit fees for Walgreens, Hotel and the transfer fees from the Chetty sale.

Citizens' Hearings – Regular Action Items Only

There were no citizens' hearings at this time.

Mr. Hamrick made a motion to close citizens' hearings; Mrs. Jorgenson seconded the motion. Motion passed 5-0.

Special Events

1. A Special Event Permit Application was received from Liberian Association of Chester County for a Community Event at Ash Park on October 9, 2010 from 12:00 pm to 8:00 pm.

Mr. Hamrick made a motion to approve a Special Event Permit Application from Liberian Association of Chester County for a Community Event at Ash Park on October 9, 2010 from 12:00 pm to 8:00 pm; Mrs. Jorgenson seconded the motion. Motion passed 5-0.

2. A Special Event Permit Application was received from Brandywine Health Foundation for a 5K run/walk on December 4, 2010 from 8:00 am to 10:30 am. It is requested to have the street closed from Lincoln Highway/Part of Olive Street, 11th Avenue, 3rd Avenue, Kersey Street and 4th Avenue.

Mr. Simpson asked if this was the same day as the parade. Mrs. Jones asked if Penn Dot was notified of the road closure. Chief Canale stated the run is the same day as the parade. He will talk with the Parade committee to discuss the road closure with Penn Dot.

Mrs. Jorgenson made a motion to approve a Special Event Permit Application from Brandywine Health Foundation for a 5K run/walk on December 4, 2010 from 8:00 am to 10:30 am requesting to have the street closed from Lincoln Highway/Part of Olive Street, 11th Avenue, 3rd Avenue, Kersey Street and 4th Avenue; Mr. Eggleston seconded the motion. Motion passed 5-0.

3. A Special Event Permit Application from the Coatesville Kid Raiders/ Coatesville PAL for an Athletic Event on September 18 and 19, 2010 and October 9, 10, 16, 17, 30 and 31, 2010. It is requested to close the street on North 11th Avenue from Lincoln Highway to Merchant Street and 1000 Block of East Chestnut from 8:00 am to 5:00 pm.

Mr. Hamrick asked if we have done this before. Chief Canale stated the diagram shows the parking and the Coatesville Kid Raiders/PAL wanted to mirror what was done for the baseball for the football.

Mrs. Jorgenson made a motion to approve a Special Event Permit Application from the Coatesville Kid Raiders/ Coatesville PAL for an Athletic Event on September 18 and 19, 2010 and October 9, 10, 16, 17, 30 and 31, 2010 requesting to close the street on North 11th Avenue from Lincoln Highway to Merchant Street and 1000 Block of East Chestnut from 8:00 am to 5:00 pm; Mrs. Jones seconded the motion. Motion passed 5-0.

Items for Discussion

1. Discuss Quality of Life Committee

Mr. Wilkinson explained the committee has been meeting for 2-3 months. They are trying to work up a program. The effort is to improve the quality of life. Mr. Wilkinson asked for

council's approval of a letter to the residents. The idea is to work block by block. The issues are addressed by a warning and then a citation. The letter explains to the residents how they can help prevent the Quality of Life issues. The committee does not feel enough there is enough support in the community. There are proposed Ordinances which will be in front of Council in the near future to focus on the issues such as Rapid Ticketing.

Mrs. Jorgenson made a motion to approve sending a letter to residents from City Council to support the Quality of Life initiative including instant ticketing; Mr. Hamrick seconded the motion; Motion passed 5-0.

2. Group Homes Discussion

Mrs. Jorgenson stated there are a lot of group homes on East Chestnut Street. There are group homes and group quarters. The homes/quarters make a difference in the tenor of a neighborhood. Group homes/quarters should be licensed. Is there a handle in the City on the number of group homes/quarters? Mr. Molina explained that he has not seen any applications come in. A license is not required for group quarters. This is a VA program and the tenants must be veterans. Mr. Eggleston asked for an explanation on the difference of group home and group quarter. A group quarter is up to five unrelated residents with no specialized treatment or assistance. The group home is special assistance and treatment. Mr. Eggleston asked how many are in the City. Mr. Molina explained there is some working legally and illegally. Mr. Carnes explained the restriction of group homes was stricken from the Zoning code. The cases are handled simplistically. The key to analysis is the state regulations. A license and strict compliance is required. Mrs. Jorgenson questioned group quarters and licensing. Mr. Carnes read section 224-12 and 224-60 regarding group homes/quarters. Mrs. Jorgenson asked if we are within our rights to annually look at license. Mr. Molina stated we need to fulfill the requirements of the state. Mr. Simpson asked are we required to follow up. Do they need to register? Mr. Eggleston stated they are hard to locate. Mrs. Jorgenson asked for a limit on how many are on one block. Mr. Carnes explained if the group home/quarter is treated like a house, it is hard to restrict where they can be. Mrs. Jorgenson stated it is built on fair housing. If the homes/quarters are put in one spot it is not considered fair housing. They need to be spread throughout the community and not placed around one location. Mr. Simpson asked for a list of the group homes/quarters. Mr. Hudson stated the First Suburbs project is attacking the problem on the County standpoint. They are still in the beginning phase. Mrs. Jorgenson asked Mr. Hudson to find out if First Suburbs know of any Ordinances. Mr. Hudson stated he would provide Council with the Ordinance as soon as they are completed by First Suburbs.

3. UCC Board of Appeals

During the last meeting the Council discussed the appointment of a Uniform Construction Code Board of Appeals (UCC). The Council directed staff to recommend three names to this board at tonight's meeting. The three recommendations are Steven Cane, member of the Planning Commission and a City resident; Jon Kasitz, member of the RDA and an engineer with Rettew & Associates and a City resident; Greg Vietri, owner of Vietri Electric, resident of Valley Township. All three individuals are qualified to serve on this board. Mr. Reed asked for the members of the UCC Board to also be placed on the International Property Maintenance Code Board (IPMC). The IPMC Board requires three members and the UCC Board requires 5 members. Council asked Mr. Reed to acquire two more applicants for the UCC Board.

Mr. Hamrick made a motion to appoint Steven Cane for the term of 2010 – 2011; Jon Kasitz for the term 2010-2012; Greg Vietri for the term 2010-2013 to the UCC Board and the IPMC Board; Mr. Eggleston seconded the motion. Motion passed 5-0.

Regular Action Items

1. Receive and Consider Second Reading and Adoption an Ordinance amending Chapter 92 – Curfew, Section 924- to establish Curfew Hours from 10:00 pm to 6:00 am.

During the last meeting Council approved the first reading os an ordinance changing the curfew hours to the pre-emergency hours. The Ordinance has been duly advertised and the second reading and is hereby presented for consideration.

Mrs. Jorgenson made a motion to approve second reading and adoption and Ordinance amending Chapter 92- Curfew section 92-4 to establish curfew hours of 10:00 pm to 6:00 am; Mrs. Jones seconded the motion. Motion passed 4-1. Mr. Eggleston was the dissenting vote.

2. Receive and Consider Second Reading an Ordinance amending Section 218-54 to provide for regulation of the “Third Avenue and Diamond Street Parking lot with days of operation, hours of operation parking period limits, and fees for permits or metered use established by Resolution.

At the August 23 meeting the City Council approved on First Reading an Ordinance to establish parking fees for the Diamond Street Parking Lot. The second and final reading has been duly advertised and is hereby presented for consideration.

Mr. Eggleston made a motion to approve for Second Reading and Adoption an Ordinance amending Section 218-54 to provide for regulation of the “Third Avenue and Diamond Street Parking lot with days of operation, hours of operation parking period limits, and fees for permits or metered use established by Resolution; Mrs. Jones seconded the motion. Motion passed 5-0.

3. Receive and Consider a Resolution establishing the days of operation, hours of operation parking limits and hourly fee/permit rate for the Third Avenue and Diamond Street Parking Lot

With the adoption of the second and final reading of the Third Avenue and Diamond Street Parking Lot Ordinance, the Council needs to set parking fees for this lot.

Mr. Eggleston made a motion to approve the Resolution establishing the days of operation, hours of parking and hourly fee/permit rate for Third Avenue and Diamond Street Parking Lot; Mrs. Jones seconded the motion. Motion passed 5-0.

4. Receive and Consider Second Reading and Adoption an Ordinance amending Chapter 192, Special Events of the Code of the City of Coatesville, Chester County, Pennsylvania

During the last meeting the Council approved on first reading an Ordinance to change the Special Events Ordinance. The second and final reading, duly advertised, is hereby presented to Council for consideration.

Mrs. Jones made a motion to approve for Second Reading and Adoption an Ordinance amending Chapter 192, Special Events of the Code of the City of Coatesville, Chester County, Pennsylvania; Mr. Hamrick seconded the motion. Motion passed 5-0.

5. Receive and Consider First Reading an Ordinance amending Chapter 203 to repeal Article VI Earned Income Tax and to enact a new Article levying a tax on earned income and net profits, requiring employer to withhold and remit tax and related provision in accordance with the Local Tax Enabling Act

The City’s current Earned Income Tax (EIT) ordinance utilizes provisions of the old Local Tax Enabling Act, Section 6913, which has been repealed by the State Legislature by enactment of Act 32 that replaces it with new provisions. This change will require the City to make some major revisions in our EIT ordinance which will now be collected by Keystone Collections Group which was selected by the Chester Tax Collection Committee, of which Coatesville is a member.

The Ordinance does not change the current rate of 1-1/2% but does incorporate various sections of Act 32 as required by law. There is a specific time frame in which this ordinance must be adopted and sent to the State agencies by mid-November. The first reading of the ordinance is hereby presented for Council's consideration.

Mr. Reed explained there is no change in EIT just a change in the language. The language required changing to conform to Act 32. The current Ordinance is not in compliance with Act 32. It was a State Law change. Keystone was thoroughly interviewed by the collection agency. Keystone received a 85 member unanimous vote.

Mrs. Jorgenson made a motion to approve for first reading an Ordinance amending Chapter 203 to repeal Article VI Earned Income Tax and to enact a new Article levying a tax on earned income and net profits, requiring employer to withhold and remit tax and related provision in accordance with the Local Tax Enabling Act; Mr. Hamrick seconded the motion. Motion passed 5-0.

6. Receive and Consider the challenging the Real Estate Tax Assessment Appeals

During the last meeting the Council discussed the continuing reductions in real estate values being requested throughout the City. Due to the current financial situation across the country many citizens are appealing their tax assessments to the Chester County Tax Claim Bureau for reductions which, of course, reduces the amount of real estate tax revenue the City receives. Some of the present real estate assessments are minor while some are rather extensive. For each \$1,000 reduction in assessment the City loses \$8.91. On January 1, 2010, the total real estate assessment was \$256,535,631. As of September 10, 2010 the assessment was \$256,039,941 or a loss of \$495,690. This reduction in assessment value represents a loss of \$4,419 in City real estate tax. Currently there are 28 residential and 8 commercial annual appeals before the Tax Bureau requesting a reduction in assessments.

Mrs. Jorgenson asked about a cut off point for the assessment appeals. Mr. Carnes suggested \$250,000 and above.

Mr. Hamrick made a motion to approve the City Solicitor to challenge the Real Estate Tax Assessment appeals for properties assessed at \$250,000 and above; Mrs. Jorgenson seconded the motion. Motion passed 5-0.

7. Receive and Consider designation of Trick or Treat

Annually the City Council sets the date for Halloween Trick or Treat observance which is shown on the calendar as October 31. This year October 31 is on a Sunday. Councilmen Marking and Brazzle have put together a Halloween Parade on Saturday, October 30, beginning at 5:30 p.m. to be followed by youth activities at Abdala Park.

Mrs. Jorgenson made a motion to approve Trick or Treat on Sunday October 31, 2010 from 5:00 pm to 8:00 pm; Mr. Hamrick seconded the motion. Motion passed 5-0.

8. Receive and Consider appointment to the Authorities, Boards, Commission and Committees

The City has received an application from Mr. Paul Johnson for appointment to the City's Trust Fund Committee.

Mrs. Jorgenson asked what the responsibility of the member is for the Reserve Trust Fund. Ms. Bjorhus stated the members look at and review the funds; assess the portfolio and make recommendations on where to invest the funds.

Mr. Eggleston made a motion to appoint Paul Johnson to the Reserve Trust Fund Committee for the term of 2009-2010; Mr. Hamrick seconded the motion. Motion passed 4-1. Mrs. Jones was the dissenting vote.

9. Receive and Consider the purchase of City Flags

For the past several months the Council has been considering the possibility of purchasing 150 City flags for resale to the citizens who would be interested in purchasing a flag. One local company has submitted a proposal of \$26 per flag which would be a total of \$3,900 and provide an actual sample of the flag being offered. A quote from a company found on the Internet provides a price of about \$7.50 each; however, a sample of the material obtained from the company is of much lower quality than the material of the actual flag presented. The Council decided to place this item on the Action Agenda to make a final decision.

Mrs. Jorgenson asked where the money would come from for the flags. Mr. Reed the money would come from Councils budget. The purchase from the resale will cover the cost. Mr. Simpson asked if we had to get 150 flags. Mr. Reed stated he would look into the number of flags required for that price. Mr. Eggleston and Mrs. Jorgenson stated it would not be hard to sell the 150 flags.

Mr. Hamrick made a motion to approve the purchase of 150 City flags for the cost of \$26.00 each or \$3,900.00 total; Mr. Eggleston seconded the motion. Motion passed 4-1. Mrs. Jones was the dissenting vote.

10. Receive and Consider waiver of Trash Fees for 348 Fleetwood Street

The Staff advised Council at the last meeting that the City had purchased all nine properties on Fleetwood Street; however, there was one property at 348 Fleetwood Street with an outstanding lien for trash fees in 2005 and 2006 amounting to about \$850. The owner, Dr. Lee, insisted that these fees were paid by her mortgage company. The Finance Department was not able to confirm or deny from City records that these fees were paid. As a matter of expediency the Interim City Manager signed a waiver to exonerate the fees and obtained a complete and clear title to the property. The Interim City Manager and the City Solicitor are requesting that the City Council confirm the Interim City Manager's action.

Mrs. Jorgenson asked if Dr Lee's property is owner occupied and when will the properties be demolished. Mr. Molina stated the paperwork will be signed on Wednesday and then the set up date for demolition with the contractor will be set. Mr. Hamrick asked when Oak Street demolition will be completed. Mr. Molina stated after Fleetwood Street is completed. Mr. Hudson explained that meetings have been set up with the residents on Fleetwood Street and Oak Street to keep them apprised of the demolition.

Mr. Hamrick made a motion to approve the waiver of trash fees located at 348 Fleetwood Street; Mrs. Jorgenson seconded the motion. Motion passed 5-0.

11. Receive and Consider First Reading an Ordinance amending Chapter 203, Article III, (1) to reflect a change in title from "Emergency Municipal Service Tax" to "Local Services Tax, as required by amendments to the Local Tax Enabling Act; (2) Replace references within the Ordinance to reflect the new title; (3) Raise the exemption amount of the tax from \$600 to \$12,000; (4) add exemptions for person called to active duty in a military reserve unit and for persons disabled during military service; (5) provide for the Pro-Rata withholding of the tax and

the refund of overpaid tax; and (6) make amendments to the language of the Ordinance in accordance with the revision to the Local Tax Enabling Act.

Mr. Carnes explained the Ordinance will update the Local Service Tax enacted in 2007. The amount does not change. Mrs. Jorgesnon asked what the City receives from the tax. Ms. Bjorhus replied about \$46,000.

Mrs. Jorgenson made a motion to approve First Reading an Ordinance amending Chapter 203, Article III, (1) to reflect a change in title from “Emergency Municipal Service Tax” to “Local Services Tax, as required by amendments to the Local Tax Enabling Act: (2) Replace references within the Ordinance to reflect the new title: (3) Raise the exemption amount of the tax from \$600 to \$12,000; (4) add exemptions for person called to active duty in a military reserve unit and for persons disabled during military service; (5) provide for the Pro-Rata withholding of the tax and the refund of overpaid tax; and (6) make amendments to the language of the Ordinance in accordance with the revision to the Local Tax Enabling Act; Mr. Eggleston seconded the motion. Motion passed 5-0.

Solicitors Report

Mr. Carnes asked if Council had any questions on his report. There were no questions.

City Manager’s Report

Mr. Reed explained the Coatesville Area School Public Library thanked the City for the \$11,000 to ensure the community has the best in library services. The City is the only community that pays the \$1.00 per person annually.

Citizens’ Hearings – *Non-Agenda Items*

Gladys Flamer – Resident

Nine citizens on the sign in sheet offered their time for Mrs. Flamer to speak. Mrs. Flamer stated she has attended City Council meetings since 1925. Mrs. Flamer asked why a junk yard was put in, why the hearing is in West Chester, why is there unequal parking spots in the City. There are people dumping in the 5th ward. The mosque on 7th Avenue did not apply for a special event permit for an event. The people at the mosque are very nice, but some of their events are loud. Mrs. Flamer stated there are too many businesses on Merchant Street and not enough parking. Behind 720 Merchant Street there is a lot of trash and no one can drive behind there. There is a water problem between 8th and 9th Avenue, when there is a storm the water lies in the street and then drains into Hutchinson Church. Mrs. Flamer stated the City needs a Tree Ordinance. Mr. Reed explained the process of the junk yard and the steps the City is taking to remedy the situation. Mr. Wilkinson stated the City is working on the area where the water drains in to Hutchinson Church. Mr. Reed stated he would look at the alley with the Fire Chief.

Marie Hess – Resident

Ms. Hess asked for the letters from the City to be translated in Spanish. There are some people in the City who cannot read English. Some violations may stop if the information is put in both languages.

James Pitcherella – Resident

Mr. Pitcherella stated that two employees at the junkyard are alleged members of the Road Runner motorcycle gang (part of pagans). Mr. Pitcherella stated that the Velodrome will be in Coatesville or Caln. It is a track meet on wheels and maybe someone from Coatesville will become a bike champ.

Mr. Hamrick made a motion to close citizens’ hearings on non agenda items; Mr. Eggleston seconded the motion. Motion passed 5-0.

Council Comments

Mr. Eggleston stated he is grateful for everyone attending the Council meeting especially Mrs. Flamer. Mr. Eggleston asked Mrs. Flamer to continue to be patient. The items she discussed are being addressed and may take a little time.

Mr. Hamrick thanked everyone for coming to the meeting. He appreciates the attendance at every meeting.

Mrs. Jorgenson thanked everyone for attending the meeting. She is proud the City is able to donate to the Library.

Mrs. Jones thanked everyone for coming out this evening. It is good to see everyone. Council continues to meet for dialogue to make the City better.

Mr. Simpson thanked everyone for attending. He thanked everyone for giving their time for Mrs. Flamer to speak. Mr. Simpson wished everyone a good night and drive safe.

Adjournment

Mr. Hamrick made a motion to adjourn the meeting at 9:55 pm; Mrs. Jones seconded the motion. Motion passed 5-0.

Ted Reed
Interim City Manager