

**City of Reading
City Council
Work Session
Monday, May 18, 2009**

Councilors Attending: V. Spencer, S. Fuhs, M. Goodman-Hinnershitz, D. Sterner, S. Marmarou, M. Baez, J. Waltman

Others Attending: L. Kelleher, C. Younger, R. Hottenstein, C. Geffken, M. Mayes, D. Wright, E. Cooper

Mr. Spencer called the work session to order at 7:05 p.m.

Managing Director's Report

The Managing Director's Report was distributed to Council covering the following:

- Blue Ribbon Panel scheduled for Wednesday, May 21, 2009
- Unannounced DEP inspection of the waste water treatment plant which yielded positive results
- Succession of the City's program to rent miscellaneous equipment such as tables, chairs, hot dog grill, etc., to the public
- Update on allocation of the \$800,000 stimulus funds expected.
- Update on grant applications

Ms. Goodman-Hinnershitz inquired if the administration will share the DEP's written report with Council. Mr Hottenstein stated that the report will be supplied within a few days. Ms. Goodman-Hinnershitz inquired if the City could make the report available for community review. Mr. Hottenstein stated he is unsure if the report can be released publicly.

Mr. Fuhs congratulated the Reading Police Department for their recent sting at two massage parlors on Lancaster Avenue. Investigation showed that prostitution was occurring at these two locations. The businesses had zoning permits to operate as massage therapy businesses.

National Health Insurance Act

Mr. Fuhs inquired why the state and federal issue was placed on the City's

agenda. Mr. Spencer explained that in the past the City has adopted resolutions to support various state and federal legislation and also introduced federal and state issues for public education.

Ron Stouffer and Rosie Skomitz stated that they represent a state wide advocacy for national health care. They thanked Council for the opportunity to educate local officials and the public on this topic. They distributed educational materials on the issue. They noted that recently several Pennsylvania cities have adopted legislation to support Federal House Bill 6-76 along with State Senate House Bill 400 and State Representative House Bill 16-60. Mr. Stouffer explained the various changes to the current profit driven healthcare program. Ms. Skomitz explained the proposed single pay plan will still allow free choice, no co-pay and no caps on coverage. She stated that it is believed that this change in health care policy will reduce the use of local emergency rooms as primary care providers and will negate the need for Medicare as eligibility will be universal. It is also believed that this non-partisan bill will reduce the cost of employee healthcare for municipalities, businesses and employees. If the National Healthcare Act was in place, Reading's cost for healthcare would be reduced by five million dollars. They noted the assistance this will provide in closing the City's budget gap.

Mr. Fuhs inquired if any other countries provide a single pay program. Mr. Stouffer stated that he is unsure and noted that the advocacy group is focusing on Pennsylvania.

Mr. Fuhs stated that Canada and another republics currently have national healthcare. He noted the various disparities with the system used in Canada leading to long wait times before medical service is provided. He expressed the belief that consumers in Canada and the other republics are dissatisfied with the program in place. He inquired about the length of wait time for medical services in Canada. Mr. Stouffer read a prepared statement and the expected wait time in America.

Councilor Fuhs questioned President Obama's position on this issue. Ms. Skomitz expressed belief that President Obama will support national healthcare but will involve drug companies and other stake holders.

Councilor Fuhs expressed the belief that the resolution prepared will place the City in a lobbyist position. He expressed belief that the City of Reading should not be entering the lobbying area. He expressed the belief that this issue is labor based.

Ms. Goodman-Hinnershitz thanked Mr. Stouffer and Ms. Skomitz for their presentation. She expressed the belief that after further refinement, national healthcare will move forward and benefit citizens. She stated that a study of the systems in Britain and Canada can assist the United States in developing a program that will be more efficient to consumers. She expressed her willingness to further review this issue in the future.

Mr. Sterner expressed the belief that government involvement in various areas has created vast inefficiencies. Ms. Skomitz noted the request for a cost study. Mr. Stouffer noted the belief that the national healthcare system will pull all users striving for reducing the cost of service together. They noted the endorsements from various states, counties and cities.

Mr. Fuhs expressed the belief that the City should entertain various view points on this issue.

Ms. Skomitz stated that Wyoming has adopted a universal healthcare plan. She stated that states across America can adopt modifications of the federally approved plan.

Mr. Waltman expressed his belief in national healthcare but noted the uncertainty about what the best model looks like and the plans for ultimate funding. He stated that he supports the concept with careful application. Ms. Skomitz stated that a model study has been prepared using several years' worth of information.

Mr. Waltman noted the many years citizens have been waiting for tax reform. He urged careful review and gradual implementation of national healthcare.

Rental Registration Process - Zoning

Mr. Hottenstein stated that in the past Council received updates from Codes on the housing permit process. Tonights update will cover Zoning's participation in the housing permit process. Mr. Mayes distributed a handout covering the rental application process used by the zoning office and an outline showing the zoning permits issued for rental use as of April and May 2009. He described the work to streamline the application and approval process. He stated that to date 1,908 single home properties have received zoning permits for rental use and 1,821 multi-unit properties have received zoning permits for rental use. To date, a total of 3,729 rental use zoning permits have been issued.

Mr. Mayes described the efforts to improve the dialogue between Codes and Zoning. He described the plan to provide team building training which will foster better cooperation between the two departments. He also described various efforts to improve data collection and to improve the work process and flow.

Mr. Sterner noted that the numbers presented by Mr. Mayes do not correlate with the numbers presented by Mr. Reinhart last month. He inquired how many un-permitted properties and number of rental units exists. Mr. Marmarou agreed that the Zoning report does not comply with the Codes report. He requested that the next report show both Zoning and Codes.

Ms. Goodman-Hinnershitz expressed the belief that illegal rental data compiled by the Council office is causing analysis paralysis in the Codes office.

Mr. Waltman noted that Council developed criteria to streamline the housing permit approval process. He stated that rental properties located in high-density residential areas that have had permits for five (5) consecutive years and rental properties located in low-density residential areas having housing permits for ten (10) consecutive years were to follow a streamlined process. He questioned the use of the criteria developed. Mr. Mayes stated that the contractor hired to cover the Zoning office, until a Zoning Administrator was hired, did not attend to the Zoning portion of the housing permit process.

Ms. Kelleher stated that to date, approximately six (6) out of the approximate 70 rental properties located between Hampden Blvd. and North 13th Street, between Marion and Union Street, have gone through the AHO process. She inquired when the Zoning office will be considering the remainder of those applications.

Fee Increase Recommendations

Mr. Hottenstein stated that he and Ms. Kelleher have been meeting to review the recommendations in the Maximus Report and have prepared a sheet showing the recommended increases. He distributed a handout showing the current fees proposed by Maximus and the fees recommended by Mr. Hottenstein and Ms. Kelleher.

Mr. Waltman inquired if the housing permit fee considers only one inspection every three (3) to five (5) years. Mr. Hottenstein stated that the proposed fee contained a proration of a housing inspection every three (3) to five (5) years. Mr. Hottenstein explained why some fee areas should be subsidized by city tax

payers and others need to be covered by users. Ms. Kelleher stated that the initial report distributed to Council did not contain fee recommendations for Zoning and Planning. She stated that in addition to the housing permit fee, these fees also jumped significantly. She stated that she and Mr. Hottenstein collected data showing the fees charged in other Berks County municipalities. The fees proposed by Maximus agree with that charged in other Berks municipalities.

Ms. Goodman-Hinnershitz suggested retaining the current Pagoda rental fee schedule until the foundation is in place. She also noted the need for the consideration of the condition of the facilities when assigning a rental fee.

Mr. Marmarou inquired who controls the baseball fields at Angelica Park. Mr. Hottenstein stated that as Alvernia has paid for the rehabilitation and repair of these facilities Alvernia should control and collect the rental fees.

Councilor Marmarou questioned the continuation of the barricade rental program. He noted the various safety issues this could create when different neighborhoods hold block parties. Mr. Hottenstein stated that the registration fee for a block party can contain the cost of barricades.

Ms. Kelleher inquired how Council would like to proceed with the fee increase recommendations. She stated that Council could consider fee areas individually or consider the complete package. City Council requested that fee recommendations come for Council review in groups. Ms. Kelleher suggested that Mr. Hottenstein prepare an ordinance that will cover Public Works Engineering and Fire Special Services.

Mr. Spencer noted the recent *In Our Opinion* article in the newspaper claiming that the Maximus Report and various fee increases are Council driven. He stated that a cross study of this nature should be prepared every five (5) to eight (8) years. He noted that it has been at least 15 years since the City did a proper study of its fees and associated costs. He stated such studies of this nature help the public understand that the cost of various fees that cover the cost of programs.

Mr. Spencer reminded everyone of the following meetings in the last week in May:

- Wednesday, May 27th at 6 pm at St. Anthony's Church, regarding the Hazel Street tunnel.
- Properties of Merit program kickoff on Thursday, May 28th at the

Sovereign Performing Arts Center at 7 pm.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk

FOLLOW-UP ISSUES

- Amendment to the Prop. Maintenance Code to allow ticketing system
- Update on the rental housing issue (Codes and Zoning)
- Business Privilege Tax Revocation
- Fee Increase Review (Maximus)
 - Fire
 - Codes
 - Planning
 - Recreation
 - Zoning
- Copy of DEP report on WWTP