



CITY COUNCIL

Public Safety Committee

Monday, March 1, 2010

5:30 p.m.

Committee Members Attending: D. Sterner, Chair, M. Goodman-Hinnershitz, J. Waltman

Others Attending: M. Talbot, D. Kersley, L. Kelleher, C. Younger, D. Cituk, C. Geffken

Rental Housing Audit

Mr. Kersley, Business Analyst, described his work on the HPO (High Performance Organization) process to identify the breaks in the housing permit process. The Audit Report was distributed to the members of Council on Monday, February 22nd. He described locating several snafus in the work flow used to address the implementation of the housing permit process started in 2007. He gave some examples of the issues he uncovered.

Mr. McMahon and Mr. Hottenstein arrived.

Mr. Kersley stated that an HPO Team (Mr. Reinhart, Ms. Oehler, Ms. Mayfield, Ms. Kelleher and Mr. Kersley) has been organized to correct the breaks in the housing permit process. He stated that the properties approved through the AHO (Administrative Hearing Officer) process were audited by Mr. Cituk and Mr. Kersley.

Mr. McMahon left the meeting.

The audit showed that 45% of the 286 sample set properties approved did not meet the AHO Criteria; however, 95% of those properties were inspected within the last 5 years. He explained that 191 single family rental properties and 174 multifamily rental properties received zoning for rental use but did not remit the required fee. Enforcement letters have been mailed requiring payment within 30 days.

Mr. Kersley explained that there is a backlog of approximately 500+ multifamily rental properties that have been on hold in the Codes Office since September 2009, due to limited clerical staff support. He explained that the AHO process will be abandoned; however, he suggested the

recreation of a new process to assist with the backlog. He explained that without some recreated process, these properties will either require a Special Exception hearing before the Zoning Hearing Board or a Conditional Use Hearing before City Council. He stated that both bodies will be unable to handle the backlog without some assistance. He suggested that Council consider a new ordinance that will outline the new process and accompanying work flow.

Mr. Cituk noted his surprise with the audit results and agreed with the need to define a new method for an expedited approach to clear the backlog.

Mr. McMahon returned to the meeting.

Mr. Kersley stated that the HPO Team is currently developing recommendations for Council to review such as a streamlined approach to handle the zoning and codes components that will be approved by the Zoning Hearing Board after the Auditor certifies that the properties meet the criteria. He stated that the HPO Team is working to define a careful, well thought out process.

Mr. Spencer recalled that the Administration asked Council to refine the criteria about a year ago.

Mr. Waltman stressed the need for all rental properties to have zoning. He also noted that providing zoning is a serious and long lasting privilege that must be handled carefully.

Mr. Kersley stated that approximately 2500 properties went through the AHO process and most obtained zoning without meeting the required criteria. He expressed the belief that the housing permit process must begin with zoning approval. He noted the reality that the City improperly gave zoning permits to many properties approved through the AHO process. Mr. Cituk agreed and noted the need for certification that the property meets the criteria before the property is forwarded for expedited approval.

Mr. Kersley explained the HPO Team's work to review the old AHO process while developing a new process that will address applications, their handoffs and work flow process. He suggested that staff be reassigned to handle the workflow rather than adjusting the workflow to fit the capability of staff. He noted the lack of proper follow through when properties are placarded. He added that there is currently no strategy in place to handle all the varying issues that pop up.

Mr. Sterner thanked Mr. Kersley for his work to audit this area and stated that this new housing permit process was developed three (3) years ago in consultation with the Administration, realtors and investors. He stated that as the process was developed, the Administration assured Council that they could successfully undertake the new process. He also stated that Council has heard regular monthly updates from the Administration that were misleading and false as they reported that backlogs did not exist and that staff was handling the workflow properly. He stated that today, for the first time, Council is hearing that the process was mismanaged and is still stuck on square one. He stated that he has repeatedly asked the Administration to build a

proper database on all City properties that can tell staff everything about the property.

Ms. Goodman-Hinnershitz also congratulated Mr. Kersley on his work to audit the housing permit process. She noted the need to use this report as a benchmark to move forward. She described the proper handling of an illegal rental in her neighborhood. She stated that the two (2) placarded properties in her neighborhood speaks volumes about the seriousness of the situation.

Mr. Spencer inquired if there is any recourse for the properties that were given zoning improperly. Mr. Younger stated that he needed to research and respond later.

Mr. Cituk questioned the City's ability to handle the sheer volume of rental properties annually.

Mr. Waltman expressed the belief that the Administration mismanaged this high priority issue. He questioned the existence of accountability and responsibility when handling this and other similar issues. He stated that without accountability and responsibility the Administration will continue to mismanage issues and processes will continue to falter.

Mr. Sterner agreed with the need to make management accountable and responsible when performing their duties. He inquired if the Public Safety Committee would like to participate in the development of the new criteria and process. Ms. Kelleher suggested that the Public Safety Committee review and refine the criteria developed through the HPO process. Mr. Kersley expressed the belief that the HPO Team is very close to developing a solution to the housing permit issue. He added that the new process will contain improved accountability and responsibility.

Mr. Spencer noted the need for the Administration to develop consistency when handling the housing issue.

Mr. Sterner questioned the Administration's progress on handling the 2008-2009 rental registration billing. Mr. Geffken stated that the handling of this process was successful. He added that the rental registration billing for 2010 will be billed out around mid-year.

Mr. Waltman noted the need to begin the billing process for this and many other programs during the first quarter of the year. Mr. Hottenstein stated that the Administration is working to correct various billing practices.

Temporary Sign Ordinance

Ms. Kelleher stated that Deputy Chief Talbot researched if posting advertisements on utility poles, etc. is illegal in the Crimes Code. He also reached out to colleagues in Allentown concerning the effectiveness of this ordinance which requires permits to post signs on utility poles. She stated that the amended draft ordinance prohibits the placement of advertisements and signs on utility poles, traffic signals, etc.

Deputy Chief Talbot stated that posting signs on utility poles is prohibited by the Crimes Code. He also stated that this is not an issue in Allentown. He stated that Reading's current staffing levels in the Police Department cannot handle added enforcement responsibility.

Mr. Sterner questioned the need for a change in these regulations. Ms. Kelleher explained that the enactment of this ordinance will provide a tool for police, codes and zoning. She also explained that the Council Office receives calls many times per year from large advertising companies inquiring about the City's sign regulations. She expressed the belief that if we had an enforceable ordinance on the books, companies would stop posting signs.

Deputy Chief Talbot agreed that the new ordinance would provide an available tool.

Mr. Spencer inquired about the ability of City staff to remove the signs. Mr. Younger stated that he believes that any public official or employee can remove illegally posted signs.

The Committee asked Ms. Kelleher to add reference to the Crimes Code to the ordinance. They agreed that this ordinance would be used as a tool and agreed with isolated enforcement after the draft ordinance is enacted. They asked Ms. Kelleher to have the ordinance ready for introduction at the March 8th meeting.

Mr. Waltman asked that the fines be adjusted upwards. The Committee agreed to a \$300 minimum for the first sign and additional \$50 per posted sign up to a \$1,000 maximum.

Codes Ticketing

Ms. Kelleher stated that Chief Heim was to present the draft ordinance at this meeting. As he is on vacation this again needs to be deferred.

Special Event Ordinance

Ms. Kelleher stated that at the last meeting the Committee questioned the meaning of the various fonts used in the draft ordinance. Ms. Kelleher explained that this was only a formatting problem, which has been corrected. She stated that all language in bold italics is new and imported from the Texas ordinance.

The Committee suggested further discussion at the March work session.

Vacant Property Registration

Mr. Hottenstein stated that although vacant properties incur excessive staff costs, Codes cannot handle the vacant property registration process at this time. He stated that he spoke with the Fire Chief and Fire Marshall about handling registration of vacant properties above a specific square foot ratio; however, both the Fire Chief and Fire Marshall believe that they cannot take on the registration process.

Mr. Hottenstein stated that the Administration cannot afford to expend resources to identify and locate the owners of vacant properties. He also said that the Administration cannot begin to mandate the installation of sprinkler systems in vacant buildings, unless the property becomes occupied. He described the current citation process to address the maintenance issues at vacant properties.

Mr. Waltman suggested requiring that vacant properties obtain property insurance. He noted that various tragic fires have occurred in vacant warehouses all over Reading. He reminded everyone that there were two devastating fires at two vacant warehouses on McKnight Street. He noted the need to address these public safety issues. Mr. Spencer agreed and added that residential properties located beside non-insured vacant properties are forced to over pay for property insurance or cannot obtain insurance at all, which leaves them unfairly exposed.

Mr. Sterner also noted the problem that non-insured properties do not pay the fire escrow charge and leave the City liable for the cost of demolition. He stated that the City has not been successful at recovering demolition costs by liening the cost of demolition against the subject property. He inquired if a lien on the owner's personal property could occur.

Mr. Younger stated that he is unsure if the City can require property insurance. Ms. Kelleher stated that during HPO meetings on the housing permit process Ms. Mayfield has repeatedly said that she has not seen anything that prohibits the City from requiring property insurance.

Mr. Waltman and Mr. Sterner inquired if the City could make properties without property insurance personally pay the fire escrow charge.

The group discussed the need to creatively strengthen the City's requirements for vacant properties.

Mr. Hottenstein expressed the belief that through Mr. Olsen and Ms. Kelleher's work with the Blighted Property Review Commission the City is handling blighted vacant properties properly.

Mr. Younger described the process used by the Police to inform Codes about the condition of vacant properties when they respond to calls. He also added that the Fire Department has a data base of vacant properties and their layout.

Mr. Waltman stated that although Codes has been operating at optimal manpower levels, they have not handled their various duties well. He noted the need for Codes managers to build end to end solutions that receive the proper legal support. Mr. Sterner agreed that poor performance and decision making in the Codes Division has not been handled well.

The Public Safety Committee adjourned at 7:26 p.m.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk

Issues for Follow-Up:

- Codes Ticketing Ordinance Review – W. Heim – April
- Update Rental Registration/Permit Process
- Requiring vacant properties to obtain property insurance