

WILKINSBURG BOROUGH
Council Work Session
June 19, 2013

CALL TO ORDER

President Cohn called the meeting to order at approximately 6:32 PM in Council Chambers, second floor of the Municipal Building, 605 Ross Ave., Wilkinsburg, PA.

ROLL CALL

The roll was called to establish a quorum. Present were: Mr. Lefebvre, Ms. Ervin, Ms. Evans, Ms. Goodman, Ms. Macklin and President Cohn. Also present was Marla P. Marcinko, Borough Manager. Absent were Mayor John Thompson, Ms. McCarthy-Johnson, Ms. Trice and Ms. Moore. A quorum was established.

PLEDGE OF ALLEGIANCE

Following the pledge of allegiance, a moment of silence was observed to remember victims of violent crime.

Ms. Moore arrived at approximately 6:33 p.m.

PUBLIC COMMENT

Keith Douthett – Mr. Douthett was in attendance to discuss an organization he is forming and programs which may address some of the issues in the Borough. He questioned the current work of the Borough in addressing blight, vacancies and abandonment. President Cohn explained that the Borough has a number of strategies for returning properties to productive status. Mr. Douthett's program is looking to involve youth in building trades training. President Cohn suggested that the most logical place for him to start a discussion would be with the Wilkinsburg School Board. Mr. Douthett stated that he has secured funding for insurance coverage, clearances, etc. He believes this organization can bring jobs to the neighborhood. President Cohn stated that, while he likes the concept, he does not see the plan as being fully-developed. He stated the importance of having a clear plan with demonstrated capacity to carry it out. In those cases, Council may be able to consider other ways in which it can assist the program in succeeding, such as waiving permit fees, etc. President Cohn suggested to Mr. Douthett that he speak with School Board President, Karen Payne and commented that Council is always open to looking at solutions from all angles. Ms. Evans stated that, in her capacity as Executive Director for the Wilkinsburg Community Development Corporation, they have a housing coalition (Wilkinsburg Affordable Housing Coalition) that has been meeting monthly for the past two years. There are quite a few partners working with a number of organizations throughout the region. Ms. Evans commented that one of the most difficult challenges is property acquisition and offered caution about the liability in working with youth. Ms. Macklin inquired as to whether Mr. Douthett has a written plan or outline. The information was forwarded to Ms. Marcinko to distribute to Council.

Ms. Trice arrived at approximately 6:48 p.m.

FINANCE

1. Monthly Financial Reports.

Mr. Lefebvre asked Council if there are comments or questions. Ms. Macklin responded with the following questions:

- Reference to Real Estate Taxes and the first three accounts on the report. She commented on the redistribution of the proportions for millage for RET, Library and Debt Service. Mr. Egler stated that the millage distribution was reapportioned as part of the 2013 budget process and in an effort to align the distribution more closely with actual expenses incurred for each component.
- Delinquent tax collection appears to be down. Mr. Egler stated that the primary reason for same is the timing of the collections.
- Commented that Act 511 taxes appear to be higher over prior year. Mr. Egler agreed that same could be attributed to market conditions.
- Commented that Earned Income Tax collection is up and the new joint collection appears to be effective. It was agreed that line items 201 and 202 should be combined.
- RAD funds appear to be down. This is a direct reflection on the amount of sales tax collected by the County.
- Business Privilege Tax appears to be up.
- Tenant Registration collection and occupancy permit fee collection are up. Mr. Egler commended the efforts of the Code Enforcement Department in seeing these numbers increase, as well as other fees attributed to Code Enforcement functions.
- The amounts posted to Street Meters and Permits appear to be inaccurate based upon prior year numbers. Mr. Egler will review same.
- Nothing has been received to date for reimbursement for the COPS Grant. Mr. Egler stated he will be filing the next disbursement request the end of June. Monies are received based upon drawdown requests from the Borough.
- Commented on the increased costs for health care coverage for all departments.
- Real estate tax refunds are up over prior year due in large part to assessment appeals.
- Ms. Marcinko advised that the most recent information from Allegheny County for assessed value for 2012 was roughly \$412 million.
- Commented on legal expenses and outside Council costs and questioned whether the hourly rate for the new Civil Service Commission impacted expenses. Ms. Marcinko advised that a high amount had been budgeted due to anticipated costs for the update to the Rules and Regulations and that service will be provided at a dramatically reduced cost through a consultant. She further stated that postings to this account may reflect other expenses, not related to direct legal costs.
- Costs for contracted cleaning appear to be up. Ms. Marcinko advised that the Borough is paying less for contracted cleaning from prior year. Mr. Egler will review and respond back to Council.

- Commented that the Police Professional Insurance liability insurance is now booked as an expense and the liability/casualty coverage appears to be lower. Ms. Marcinko stated that the police professional liability was previously included in the general liability coverage and is now broken out.

2. Discussion – Delinquent Tax Collection.

Ms. Marcinko referred Council to the notes included in the agenda packet which included a summary of her meeting with Portnoff Law Associates and clearly denotes the issues previously identified by Council as areas of concern with the current arrangement with PLA. She requested direction from Council to either issue an RFP for delinquent tax collection or work on a new agreement with PLA which would attempt to address the issues.

Ms. Trice stated she is in favor of issuing an RFP. She commented that this matter should have been addressed earlier in the year.

Ms. Evans commented that the Wilkesburg School District has been working with PLA and that it appears that PLA is making an effort to respond to Council's issues. She stated that having two delinquent tax collectors would be very confusing to residents. She suggested working on a better agreement and streamlining the Borough's efforts with the school district.

Ms. Goodman echoed Ms. Evans' position. She commented that Council has not been terribly proactive on this matter.

Ms. Ervin favors issuing an RFP.

Ms. Moore commented that the Borough has been working with the school district through the Joint Tax Committee and that effort has been going well. Ms. Moore suggested reviewing the agreement with PLA and amending same where warranted.

President Cohn stated that the goal should be to have the best system of collection for the taxpayers. He commented that there are a number of things wrong with the current agreement and that this matter should have been moved through more quickly. He stated he is pleased to see that PLA is willing to respond to the Borough's concerns. He believes a better deal can be negotiated. He commented that many of the concerns identified by the Borough are within its control. He stated that the current process is already confusing for residents.

Mr. Egler stated that two collectors would be more confusing for residents.

President Cohn believes Council should put forth the effort in crafting the best agreement possible and have it in place as soon as possible.

Ms. Ervin questioned whether the Borough would be adding another tax collector. Ms. Marcinko stated that if the Borough selects a different delinquent tax collector, the answer would be yes. Portnoff Law Associates would still be collecting on accounts which are currently placed with them for collection.

Ms. Macklin stated that Council originally looked at issuing an RFP due to complaints received from residents, decreased collections and apparent lack of pursuit in taking properties to sheriff's sale. She suggested mirroring the school district's process on selecting properties to take to sheriff's sale. She commented on the ability to take properties which are underwater directly to the free and clear sale.

President Cohn commented that these discussions have been ongoing for quite some time and that Council members have not shown up to meetings in the past where this subject was discussed and no one responds to requests for information.

Ms. Macklin commented that if it is the consensus of Council to not to proceed with an RFP, there is a need to move forward with changes to the agreement. Ms. Macklin commented on Act 45 as a tool for collection.

Ms. Evans commented that the Borough needs to look at the characteristics of properties and decisions on disposition should be based on site-specific criteria. She stated that it is not the responsibility of the delinquent tax collector to make those decisions or create those strategies.

President Cohn believes Council has a responsibility to find a way to keep fees down. Selling properties at sheriff's sale may be a way to accomplish this.

Ms. Evans stated that you cannot direct the sale of a property at sheriff's sale which is why she supports moving properties through the Vacant Property Recovery Program.

Ms. Macklin inquired as to whether the Borough could list the properties exposed at sheriff's sale on the Borough's website. President Cohn stated that he liked the idea and it would also be nice to connect with realtors.

Ms. Trice left the meeting at approximately 7:27 p.m.

Ms. Evans commented that the VPRP is promoted on the WCDC's website but that such an effort requires time and capacity. President Cohn commented that a fairly simple posting could be made to the Borough's website. Ms. Macklin commented that improvements are being made in the Borough and Council efforts can accelerate same. She commented that the new Zoning Ordinance is scheduled to be adopted in August following the public hearing and that there are a number of green strategies contained in the ordinance.

Ms. Marcinko inquired as to whether it was the consensus of Council to work with Portnoff Law Associates on reaching a more favorable agreement. Mr. Lefebvre stated that to be the consensus of Council.

Ms. Payne, Wilkinsburg School Board President, commented on a meeting with PLA and the school district and extended an invitation to the Borough to work with the school district to streamline efforts related to delinquent tax collection. The school district realized approximately \$300K in collections with their Tax Amnesty Program.

3. Discussion – Assessment of Administrative Fee – MSF.

Ms. Marcinko stated this matter has been discussed on several occasions. Most recently, Council had discussed and proposed a \$5.00 per unit fee for the administrative fee which would be assessed at the time of the issuance of the first and second reminder letters sent by the TCVCOG. A software program change would be required and the process would be somewhat cumbersome. In the alternative, Ms. Marcinko recommended amending the current ordinance to provide that any balances turned over to Portnoff Law Associates for the current year would be assessed a 6% administrative fee. In any given year, there are four opportunities to make payment. Council agreed to proceed with amending the ordinance.

4. Discussion – Amnesty for Real Estate Taxes and Municipal Service Fees.

Ms. Marcinko commented that Council may wish to consider an amnesty program for real estate taxes and/or MSF.

Ms. Evans suggested that staff meet with PLA to determine how they would work with the Borough on such a program and report back to Council.

GENERAL MATTERS

1. Approving Resolution No. 13-058 – Sponsoring Banner – Farmer’s Market.

Moved: Mr. Lefebvre

Second: Ms. Goodman

All voted in favor of the motion. Motion carried.

ADJOURNMENT

Being no further business, on motion by Ms. Ervin, second by Ms. Goodman, the meeting was adjourned at approximately 7:55 P.M.

Jason Cohn, Council President