



Text File

Introduced: 9/8/2009

Bill No: 2009-1742, **Version:** 1

Committee: Committee on Intergovernmental Affairs

Status: Passed Finally

Presented by Mr. Dowd

Resolution authorizing the Mayor and the Director of the Department of Finance, on behalf of the City of Pittsburgh ("City"), to enter into a cooperation agreement or agreements with the County of Allegheny ("County"), the School District of Pittsburgh ("School District") and the Pittsburgh Water and Sewer Authority ("PWSA") (hereinafter referred to collectively as the "Municipalities") pursuant to the Pennsylvania Intergovernmental Cooperation Act for the purpose of jointly cooperating in the collection of delinquent taxes and municipal claims.

Whereas, the General Local Government Code, Act of December 19, 1996, P.L. 1158, No. 177, 53 Pa.C.S.A. § 2301 *et. seq.* (hereinafter the "Code"), provides that two or more governmental entities may jointly cooperate in the exercise of or performance of their respective governmental functions, powers or responsibilities when the governing bodies of those entities authorize such; and

Whereas, the Code defines "intergovernmental cooperation" as cooperation or agreement in the exercise of any function, power or responsibility or the delegation or transfer of any function, power or responsibility to one or more other local governments, 53 P.S. § 2304; and

Whereas, on February 14, 2008, Pittsburgh City Council and the Mayor signed a "Proclamation to Improve Governance in Pittsburgh", thereby agreeing that the pledges contained therein would guide some of their legislative actions during Pittsburgh's 250th anniversary; and

Whereas, the first of the five pledges contained in the Proclamation states that "the Mayor and City Council pledge to make real and measurable progress solving the long-term financial challenges facing city government"; and

Whereas, on March 4, 2008, City Council passed Resolution No. 112, establishing the Task Force for Intergovernmental Cooperation for the purpose of identifying operational efficiencies between the Municipalities which Resolution was subsequently approved by the Mayor on March 11, 2008 and took effect on March 14, 2008; and

Whereas, Pennsylvania law permits the Municipalities to utilize third-party agents and collection services in order to streamline and modernize their collection ("Delinquent Collections") of delinquent and lien tax and municipal claims ("Delinquent Claim(s)") and to add the charges, expenses, fees and attorney fees ("Costs of Collection") of Delinquent Collections to the Delinquent Claim balance due; and

Whereas, in May 2004, the County, by and through its Treasurer, deputized a private tax collector (“Special Tax Servicer”) to assist the County Treasurer and the County's Special Legal Counsel with Delinquent Collections; and

Whereas, the Delinquent Collections program implemented by the County Treasurer has significantly increased the County's Delinquent Collections, generating additional tax revenues with **NO** Costs of Collection paid by the County; and

Whereas, adding the Costs of Collection to each Delinquent Claim reduces the financial burden on the Municipalities by shifting the Costs of Collection from those who pay their municipal obligations on time to those who do not; and

Whereas, in furtherance of Resolution No. 112, the City has determined that it is in the best interests of the City and its residents to cooperate with the County, School District and PWSA in the combined Delinquent Collection of Delinquent Claims; and

Whereas, consolidation will benefit the Municipalities and taxpayers alike by improving Delinquent Claim collections, reducing costs and expenses of collection, reducing multiple concurrent legal proceedings, consolidating Delinquent Claim records and by providing a single source for Delinquent Claim payments; and

Whereas, consolidation will permit the City to utilize its existing resources to pursue the redevelopment of tax and municipal claim delinquent properties and to place such properties back on the active tax rolls while eradicating blight; and

Whereas, the City desires to enter into an Intergovernmental Cooperation Agreement (“Agreement”) with the County, School District and PWSA in order to consolidate Delinquent Collections by utilizing the County's Special Tax Servicer and Special Legal Counsel and to take full advantage of those provisions of Pennsylvania law which permit the recovery of the Costs of Collection as part of each Delinquent Claim; and

Whereas, entering into the Agreement will result in no additional cost or expense to the City.

Be it resolved by the Council of the City of Pittsburgh as follows:

Section 1. Incorporation of Preamble.

The provisions set forth in the Preamble to this Ordinance are incorporated by reference in their entirety herein as findings of fact made by City Council.

Section 2. Cooperation Agreement Authorized.

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The Mayor and the Director of the Department of Finance, on behalf of the City of Pittsburgh, are hereby authorized to enter into an agreement or agreements, in form approved by the City Solicitor, with the County, School District and PWSA to jointly cooperate in the collection of Delinquent Taxes and Delinquent Claims. The agreement shall continue in full and force and effect until terminated by the City, County, School District and PWSA.