



CITY OF BETHLEHEM
OFFICE OF THE CITY SOLICITOR

INTER-OFFICE MEMORANDUM

To: Michael Colón, Council President

From: Matthew J. Deschler, Assistant Solicitor

Re: Update to Fees Charged in Collection of Unpaid Real Estate Taxes and Water/Sewer Accounts

Date: September 8, 2023

Enclosed for Council's review and action is a proposed Ordinance amending Article 347 in order to adopt an updated schedule for fees charged by the City's contracted tax collector in the collection of unpaid and delinquent real estate taxes, water/sewer accounts, and stormwater user fees. The Municipal Claims and Tax Liens Act provides that the fee schedule must be approved by ordinance.

A handwritten signature in black ink that reads "Matt Deschler".

Matthew J. Deschler
Assistant Solicitor

Cc: J. William Reynolds
Eric Evans
John F. Spirk, Jr.

Bill No. 2023-_____

ORDINANCE NO. 2023-_____

AN ORDINANCE OF THE CITY OF BETHLEHEM, COUNTIES OF LEHIGH AND NORTHAMPTON, COMMONWEALTH OF PENNSYLVANIA, AMENDING ARTICLE 347 OF THE CODIFIED ORDINANCES OF THE CITY OF BETHLEHEM, TITLED “MUNICIPAL CLAIMS FOR DELINQUENT ACCOUNTS – SCHEDULE OF ATTORNEYS FEES TO BE ADDED”

THE COUNCIL OF THE CITY OF BETHLEHEM HEREBY ORDAINS AS FOLLOWS:

SECTION 1: Article 347.01, titled Statement of Policies, of the Codified Ordinances of the City of Bethlehem shall be amended as follows: (underlined text denotes additions, whereas ~~strikeouts~~ denote deletions):

347.01 Statement of Policies. In all matters where the City undertakes recovery efforts by legal proceedings or otherwise, to collect unpaid taxes, unpaid water/sewer and stormwater user fee accounts and other municipal claims, liens and accounts, the cost of attorneys fees, together with all other charges, expenses, fees and costs incurred, shall be added to the total payable with respect to such unpaid taxes, unpaid water/sewer and stormwater user fee accounts and other unpaid municipal claims, liens and accounts.

SECTION 2: Article 347.02, titled Schedule of Fees, of the Codified Ordinances of the City of Bethlehem shall be amended as follows: (underlined text denotes additions, whereas ~~strikeouts~~ denote deletions):

347.02 Schedule of Fees.

Subject to revision from time to time, the City hereby approves the following schedule of attorney fees for services rendered in connection with the collection of unpaid taxes, unpaid water/sewer accounts, unpaid stormwater user fee accounts, unpaid municipal claims, liens and accounts, which is hereby determined to be fair and reasonable compensation for the services set forth below:

- (a) Administrative Charge. Any administrative fee incurred for mailing the notice of delinquency, not to exceed \$50.00, being a cost of collection under the Municipal Claim and Tax Liens act, shall be assessed.
- (b) Interest. Interest will be assessed upon all delinquent municipal claims and/or delinquent real estate taxes at a rate of 10% per annum.
- (c) In matters for which a private attorney has been retained by the Office of the City Solicitor on a non-contingency fee basis, attorneys fees and collection fees as follows:

<u>Legal Services Attorney Fees.</u>	<u>Fee for Services</u>
Initial review and sending first <u>legal</u> Demand letter	\$160.00 <u>\$175.00</u>
File lien and mailing second Demand letter	\$175.00
<u>File Lien and prepare Satisfaction</u>	<u>\$250.00</u>
Prepare Writ of Scire Facias	\$175.00 <u>\$250.00</u>
Obtain Re-issued Writ	\$ 30.00
Prepare and mail letter under Pa.R.C.P. §237.1	\$ 30.00 <u>\$ 50.00</u>
<u>Research, prepare and obtain re-issued Writ</u>	<u>\$175.00</u>
<u>Prepare Praecipe to Amend</u>	<u>\$100.00</u>
<u>Prepare Motion to Amend</u>	<u>\$150.00</u>
Prepare Motion for Alternate Service	\$175.00 <u>\$250.00</u>
Prepare Default Judgment	\$175.00
<u>Prepare Motion to Consolidate Claims</u>	<u>\$250.00</u>
<u>Amend claim to add United States as defendant</u>	<u>\$250.00</u>
Prepare Writ of Execution	\$800.00
Attendance at Sale; <u>Preparation for sheriff's sale;</u> Review Schedule of Distribution and Resolve Distribution Issues	\$400.00
<u>Prepare Motion to Continue Sheriff Sale</u>	\$ 50.00
Petition to Assess Damages	\$ 50.00
<u>Prepare Petition for Free and Clear Sale</u>	\$400.00
<u>Preparation and service of Subpoena</u>	<u>\$100.00</u>
<u>Presentation of Motion or Petition</u>	<u>\$ 50.00</u>
Prepare bankruptcy proof of claim	\$100.00
Handling fee for returned check	\$ 30.00
Handling fee to issue refund check	\$ 20.00

~~charges, costs, expenses, commissions and fees such as but not limited to, postage, title searches, prothonotary fees and sheriff sales.~~

- (g) The amount of charges, expenses, commissions and fees determined as set forth above shall be added to the City's claim in each Account.

SECTION 3: The provisions of this Ordinance are severable and if any provisions hereof are declared illegal or invalid on constitutional or statutory grounds by any court of competent jurisdiction, then those provisions not specifically declared illegal or invalid remain in full force and effect.

SECTION 4: That all ordinances and sections thereof that are inconsistent with this Ordinance are hereby repealed.

Sponsored by _____

Passed finally in Council this _____ day of _____, 2023.

President of Council

ATTEST:

City Clerk

This Ordinance approved this _____ day of _____, 2023.

Mayor