

Home Rule Basics

City of Lancaster Home Rule Study Commission

Home Rule Basics

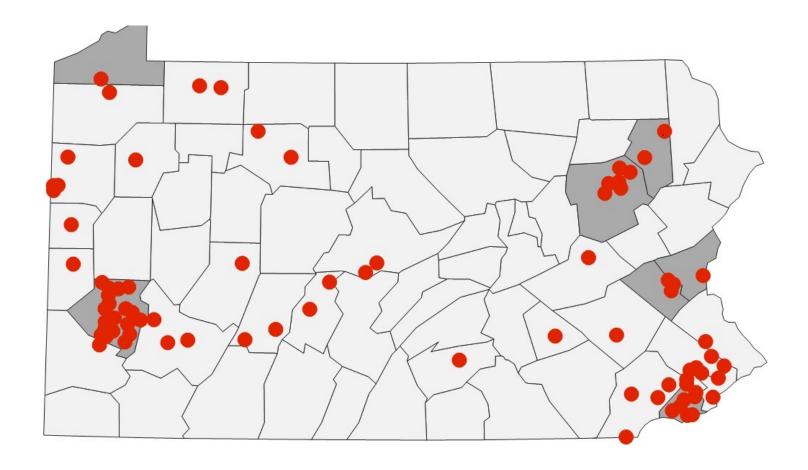
- A charter serves as a constitution for the City by outlining how it operates
- Home Rule means that our City will have basic authority to act in local affairs.
- This power is transferred from the state to local government.
- Home Rule means "Make the Rules at Home"

 A home rule charter serves as the City's "constitution."

- Literally: Make the Rules at Home
- Home Rule transfers the basic authority to act in municipal affairs from state law to a locally drafted and adopted charter through election by municipal voters.

Home Rule Municipalities in PA

- There are 82 cities, townships and boroughs in the Commonwealth with home rule charters.
- 26 of 53 third class cities like Lancaster are home rule.



Why do some municipalities consider Home Rule?

- Flexibility in Taxation
- Flexibility in Representation
- Checks and Balances/Improve Accountability
- Separate Legislative and Executive Functions
- Improve Fiscal Procedures and Controls
- Professional Administration
- Residual Powers: Write Own Administrative Code
- Increase Citizen Participation: Initiative and Referendum
- Improve Flexibility and Responsiveness

Lancaster Home Rule Study Commissioners cited different reasons for their vote including to:

- improve public participation,
- strengthen financial procedures,
- consider a code of conduct
- and take back control from state government.

Who is the Home Rule Study Commission?

- Nine City residents elected temporarily by fellow City residents in spring 2023.
- The commission's charge is to consider home rule for the City of Lancaster.
- Commissioners are independent and non-partisan.

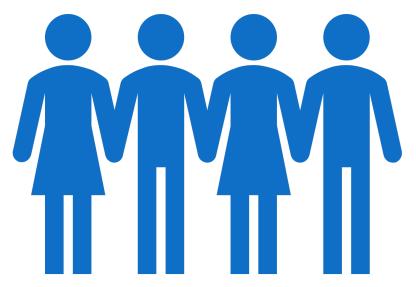


Photo: Tim Stuhldreher | One United Lancaster.

The commission is nine residents
Some of us grew up here, others moved here
We each bring a unique skills and perspective
We have worked cooperatively, thoughtfully with respect
and consideration for one another, the process and our
community.

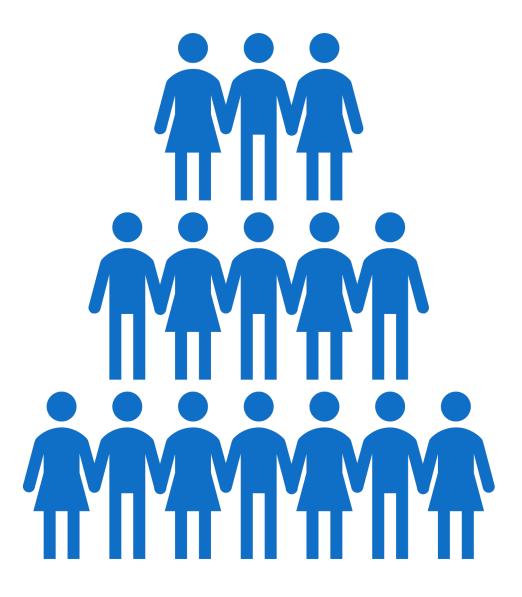
What work has the Home Rule Study Commission completed?

- Studied the current and alternative forms of City government for six months.
- Voted in January to draft a home rule charter.
- Commission members cited different reasons for their vote including to:
 - Improve public participation
 - Strengthen financial procedures
 - Consider a code of conduct
 - Choose local control over state control



Home Rule Charter: Commission Next Steps

- Draft a proposed home rule charter
- Gather community feedback and educate the public on the draft home rule charter's content
 - Information Sessions: 7/29, 7/31 and 8/6
 - Public Hearing: 8/8
- Complete charter by end of August
- Hold neighborhood education meetings in September and October
- Proposed charter to be placed on Nov. 5 GENERAL ELECTION BALLOT.
- City of Lancaster Voters Make the Ultimate Decision on Approval





Home Rule Charter Basic Components

- A general grant of powers to the municipality.
- The basic organization of the government.
- Specification of critical legislation and administrative procedures.
- Provision for citizen participation and reservation of specific powers to voters.
- Mandates for desirable administrative practices.
- General provisions such as transition procedures and the effective date.

Some Home Rule Charter Limitations

Home Rule has limitations. While it gives more local control and is like a constitution, it can't ignore the PA or US constitutions.

For example, the State Boundary Change Law means the City can't just decide to annex Lancaster Township.

- Arbitration/Labor Relations
- Boundary Change Law
- Election Code
- Ethics Law
- Sunshine Law
- Open Records Law
- Vehicle Code
- Regulation of Utilities
- Eminent Domain
- Zoning
- PA Municipalities Planning Code
- Tort Claims
- And more



Background on Taxes: the Need for Flexibility

- Cities rely on a mix of taxes authorized 60 or more years ago.
- All taxes are capped or set at a flat rate by state law.
- These taxes have not kept up with inflation.
- As a result, cities like Lancaster are limited in their ability to raise additional revenue in the face of rising expenditure.

Background on Taxes: Increased Overall Tax Flexibility

- Home Rule would lift state caps on local tax rates
- New taxes cannot be created.
- Home Rule does not set tax rates, tax rates are set every year by elected officials.

- Home rule lifts state caps on municipal tax rates like earned income.
- Home rule does not allow a municipality to create new taxes.
- Home rule does not permit a municipality to levy a commuter wage tax or tax non-profits.
- Home rule does not set tax rates; tax rates are set every year by elected officials.
- Increased tax flexibility would allow the City to consider increases to other revenue sources like earned income to ensure balance and avoid overburdening any one group.
- Home rule *is not* the cure all for outdated state tax laws, but it does permit more flexibility than municipal codes.

Background on Taxes: Myth vs. Reality

Most of the myths about Home Rule are related to how residents and property owners' taxes will be impacted.

The charter itself will not set tax rates It could provide elected officials (Mayor and Council) the flexibility on the mix of taxes and the rates.

- Myth: the home rule charter will raise my taxes
- Reality: a home rule charter does not set tax rates; it provides local flexibility on the mix of taxes appropriate to the local tax base.
- Myth: the home rule charter will give the City freedom to tax whatever they like.
- Reality: the City cannot invent new taxes.
- Myth: the home rule charter will give the City freedom to raise taxes however high they like.
- Reality: the commission can place limits in the charter on revenue growth from tax increases.

Flexibility Needed to Maintain Existing Service Levels

- Lancaster is a full-service community
- Police and Fire provide 24/7 services for approximately 60,000 residents and 30,000 commuters in 7.3 square miles
- Public safety accounts for approximately 60 percent of the City's General Fund budget
- More flexible revenue options are needed to keep up with inflation and maintain public safety services to ensure public health, safety and welfare



- Home Rule could provide more flexible revenue options for elected officials to ensure public safety services are maintained
- Taxes are a primary way cities raise revenue to pay for services provided to residents.

In Progress Now: Draft Charter Articles

- Substantially complete Articles: preamble, mayor, city council, controller, solicitor, appointed officials, fiscal procedures
- In progress: ethics board, citizen participation & voter referendum
- Notable changes:
 - Budget & Finance
 - Budget process starts earlier more time for council review and citizen feedback
 - Mandated quarterly budget reporting
 - Citizen Petition & Referendum
 - Creating opportunities for citizens to request city council agenda items or special meetings of city council
 - Creating a process for referendum to pass, change or revoke an ordinance
 - Ethics Board
 - educate city elected officials, staff and the public on the state ethics act
 - investigate complaints of wrongdoing against these rules
 - enforce the rules



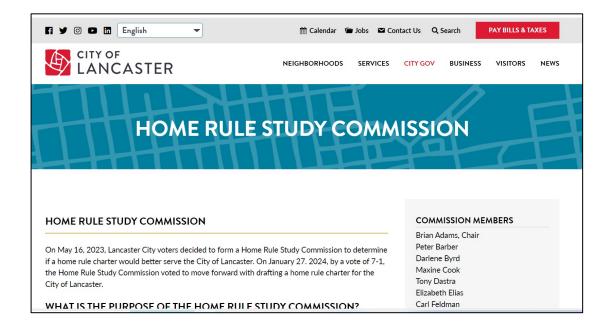
How can the public get involved?

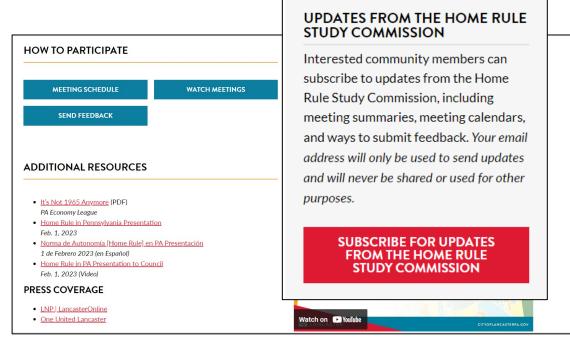
- Read the Home Rule web page on the City's web site.
 - Numerous education materials on home rule.
 - Ask questions in the Feedback section.
- Watch or attend a commission or committee meeting
 - Meeting dates are posted on the web page.
 - Meetings provide two opportunities for public comment.
 - Meeting agendas, minutes, and other materials are also posted.
- Participate in upcoming information sessions and public hearings
 - July 29 Information Session, City Council Chambers
 - · July 31 Information Session, virtual
 - August 6 Information Session, City Council Chambers
 - August 8 Public Hearing, City Council Chambers
- Stay tuned for more events and information as the process continues!

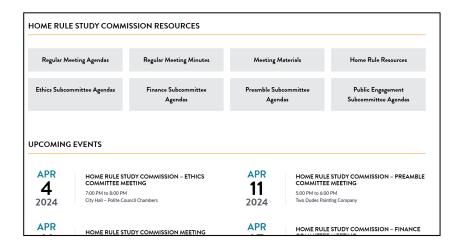
Lancaster City Home Rule Website:

https://www.cityoflancasterpa.gov/home-rule/.









- One the web page you'll find top level information about what home rule is and the purpose of the study commission.
- All of our agendas, meeting minutes, materials, and resource are posted, including subcommittees
- Dates of upcoming events and meetings
- How you can participate
- Additional resources include links to one-click links to all press coverage from LNP and One United
- A feedback form and the ability to opt-in to receive emails from the commission

Home Rule Recap

- A home rule charter serves as a municipality's "constitution" rather than state code.
- A proposed home rule charter should be complete by end of August.
- City of Lancaster residents vote on the proposed home rule charter at the Nov. 5 General Election.
- Questions?

