



COMMITTEE of the WHOLE

CITY COUNCIL

SUMMARY

July 28, 2022

ARPA Update

With Non-profit Applicants

5:30 P.M. Hybrid Meeting

COUNCIL MEMBERS PRESENT:

D. Reed, J. Cepeda-Freytiz, M. Goodman-Hinnershitz, C. Daubert, C. Miller, M. Ventura, W. Butler – in person

OTHERS PRESENT:

L. Kelleher, M. Gombar, J. Kelly – in person

The meeting was called to order at 5:34 pm by Ms. Cepeda-Freytiz. She welcomed everyone and summarized the procedure by which the meeting will be conducted, which was emailed to all invited applicants and posted on the agenda. She noted that the Historical Society (aka Berks History Center) was inadvertently overlooked during Monday's public comment period and they will be permitted to make a 5 minute presentation.

Ms. Cepeda-Freytiz encouraged the non-profit organizations to publicize their events on the City's website to increase participation and to collaborate as many of the services and programs complement each other.

Ms. Kelleher stated that Historical Society representatives had schedule conflicts and are unable to attend tonight's meeting. She stated that the Million Youth Chess Club and the Reading Symphony Orchestra requested an earlier presentation time due to schedule conflicts.

- Historical Society of Berks County – 5 minute presentation

Not present due to schedule conflict.

- Reading Symphony Orchestra Association – 90 second elevator pitch – David Gross

Mr. Gross stated that they have requested funding to replace the aging acoustical shell at the SPAC, noting that replacing the shell will improve the experience for the audience and the musicians. He stated that the Symphony is seeking \$200K towards the replacement (one

quarter of the total cost) and that they currently have \$145K in financial commitments to the project. He noted the financial benefits the Symphony provides to the downtown.

In response to questions from Council members the following testimony occurred:

- The Symphony reaches Reading's diverse communities through the free instructional programming they provide to the Reading School District and its student population
- The Convention Center Authority has committed \$35K to the replacement of the shell
- Why he worked to have the Symphony return the concerts to the downtown
- Explained that the replacement of the shell is a better option than building a new facility

- Million Youth Chess Club – 90 second elevator pitch – Mike Reese (virtually)

Mr. Reese stated that the Club is a 501c3 has been in existence since 2003 to mentor youth with chess and its STEM principles. He described the benefits this volunteer based organization (instructors are paid a stipend) brings to City youth. The program is free to all participants and centered only in Reading. The program runs year round.

In response to questions from Council members the following testimony occurred:

- Depending on the time of year and schedule commitments, the program has between 4-10 volunteers participating
- He described the benefit of expanding the program beyond the library system such as the blacktop, the Rec Commission and middle schools
- He is seeking \$5,820 to expand the mentoring programming

- The Village of Reading – 90 second elevator pitch – Radarra McLendon

Ms. McLendon stated that her youth violence prevention program, for those between the ages of 13-18, began in 2019. She distributed a revised budget. She stated that she began a pilot program in May that provides interactive prevention activities reaching over 1,000 teens. She stated that the funding will improve outreach, mentoring, avocation and mediation for the organization and its partners. She stated that she requested \$142,600 to provide violence prevention outreach and intervention in partnership with other organizations.

In response to questions from Council members the following testimony occurred:

- Receiving the amount requested will allow her to increase and sustain training and consulting services
- This funding will supplement the amount of funding received from the PCCD and will allow the addition of two (2) part-time outreach workers who will work 20 hours per week, expanding the services provided through PCCD funding
- Currently the organization serves 10-15 youth per week in their peer support group on Thursdays and the social programming has 3-400 teens participating. The outreach goal is 60 youth per year.
- She noted the success of the mentoring program

- Berks Community Health Center – 90 second elevator pitch – Mary Kargbo & Deborah Hartranft

Ms. Kargbo stated there are four (4) centers that provide wellness initiatives and health education, including encouraging under-served clients, especially those in the Oakbrook Development, to use a primary care provider in place of emergency care facilities. In addition the centers offer dental care, COVID vaccinations and testing, etc. She described the fiscal hardships the organization experienced during the pandemic. She noted the inability of their clients to pay for the services rendered. If approved, the funding will be placed toward the purchase of a center in the Oakbrook area which will end the organizations monthly rental expense.

In response to questions from Council members the following testimony occurred:

- Letters of community support were submitted with the application, showing the center’s collaboration with other community organizations
- Berks County Latino Chamber of Commerce – 90 second elevator pitch – Josephine Torres-Boykins

Ms. Boykins described the mission and activities of the Latino Chamber, noting the focus on the education of small minority business owners about financial management. They are seeking \$500K. She described her interaction with minority business owners through the pandemic.

In response to questions from Council members the following testimony occurred:

- The request was not made to secure lost revenue. However, lost revenue is shown on the application due to the Chamber’s inability to hold the fundraising gala for the past two years. The Chamber is also waiving the annual dues for participating businesses due to pandemic hardships.
- The request is made to expand the services and education available to small businesses
- The request for \$500K will cover a 5 year period.

- CARE Inc – 90 second elevator pitch – Paige Brookins (with Pastor Brookins virtually)

Ms. Brookins stated that the CARE program started in 1984 to provide transitional housing and the House of Good Food (opened in 1990). Also offered are referral services and a youth Yes program. She described the various outreach programs for the entire community.

In response to questions from Council members the following testimony occurred:

- The Yes program runs off a limited budget, through a former grant programs. This grant will benefit the Yes program. She noted the volunteer army that runs this program.

- The CARE Program exists within the 6th Ward but serves the entire community – Reading and Berks County. Yes is provided to the County and homelessness services are specific to Reading. She noted their partnerships with churches and schools.
- The Yes programming shifted to virtual services on Thursdays and Saturdays during the pandemic.
- Pastor Brookins stated that the House of Good Food is a non-profit restaurant focused on the grassroots community teaching job and life skills to those who participate.

- Centro Hispano – 90 second elevator pitch – Mike Toledo

Mr. Toledo described the center’s 50 year existence in the community and the need for expanded services during the pandemic, including administering more than 10,000 COVID inoculations, the preparation of meals, and other vital human services. The center lost approximately \$557K in revenue during the pandemic. Approval of the requested funds will allow the addition of youth violence prevention programming, in alignment with the desires of the current administration.

In response to questions from Council members the following testimony occurred:

- Receipt of the ARPA funding will not be a primary source of revenue to support the relocation of the center, instead it will provide the means to expand and increase the services provided to the public in the new facility. Other resources will fund the center’s relocation.

- Goggleworks Center for the Arts – 90 second elevator pitch – Levi Landis

Mr. Landis described the mission of the Goggleworks and how the pandemic inspired transitioning arts programming to the outdoors, due to input from the public. He noted that the Goggleworks has over 250,000 visitors annually. The funding will assist in creating an outdoor art park project on the Goggleworks campus and build a model that can be used in other outdoor public areas, funded by the development of an endowment.

In response to questions from Council members the following testimony occurred:

- While the art park project proposed will be on the Goggleworks campus, over the course of the last two years Goggleworks completed 44 art projects in other outdoor areas
- The Goggleworks also expanded outdoor projects into hands-on, creative community gardening projects – planting to food preparation

- Habitat for Humanity of Berks County – 90 second elevator pitch – Tim Daly

Mr. Daly stated that Habitat provides the vital community resource that provides low income residents with the ability to transition to home ownership, which works to reduce blighted and abandoned housing. Habitat seeks \$500K to provide safe and affordable housing in the 9th and Douglass area where the Reading School District plans to build a new elementary school.

Using the City's BPRC list, Habitat has identified 16 potential properties in this neighborhood that they would like to acquire.

In response to questions from Council members the following testimony occurred:

- In addition to the initial 16 properties, Habitat would like to add 8-10 additional properties
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- Hope Rescue Mission of Reading, PA Inc – 90 second elevator pitch – Kate Alley
Ms. Alley stated that the Mission has served the Reading community for 128 years. She stated that they provide housing for 1000 men per year and they are breaking ground to convert the former outlet property on North 6th Street into 43 housing units for women and children. She explained that this transitional housing project for women and children will differ from the program for men. She stated that the project was originally priced at \$3.4M which has increased to \$5.1M. She stated that the organization is having difficulty adjusting to the increase as they have been unable to perform fundraising efforts due to the pandemic.

In response to questions from Council members the following testimony occurred:

- Recovery period for women and children within transitional housing programs is lengthier than recovery for men.
- The men's Code Blue program requires attendance at a one hour evening church service; this will not be a requirement under the program for women and children.
- Transgender participants will be considered on a case by case basis.
- The former outlet building is 25,000 square feet and the first phase provides indoor facilities only for up to 125 individuals – each unit can accommodate 1 woman and 2 children. Outdoor recreation space will be added in the future.
- The application requests \$700K for the project.
- Donations for this project were received for the project through churches and individuals and County funding.
- I-LEAD Inc – 90 second elevator pitch – Hector Torres
Mr. Torres stated that the adult education and testing center is located at the Alvernia Upland Center. He noted the receipt of an award from Alvernia for I-LEAD's adult programming. There is a graduation rate of 82% from this six (6) week program.

In response to questions from Council members the following testimony occurred:

- This programming started in 2019 and the organization did see a reduction in revenue due to the pandemic, which reduces their capacity to operate. Programming historically relied on contributions from the parent organization.
- The application is for \$391,492 for programming costs – teachers, books, etc. Students do not have the ability to cover the cost of the programming.
- New Journey Community Outreach Inc – 90 second elevator pitch – Sue Krall

Ms. Krall stated that this is the largest soup kitchen and pantry within the County. The organization is seeking \$125K for facility upgrades to meet various food preparation requirements such as HVAC, replacement floor tiles, sanitation units, improved work areas, etc.

In response to questions from Council members the following testimony occurred:

- In 2020-21 32,000 lunches were provided and that increased to 42,000 in 2021-22. During the pandemic lunch service was relocated to the outdoors and that practice continues. Also noted was the increased demand for pantry services during the pandemic.
- Neighborhood Housing Services of Greater Berks – 90 second elevator pitch– Steve Gieringer

Lucy Cortez described their recognition of the need for education on financial management services for the Latino community through the creation of a credit union. The estimate for the credit union, which will be within the NHS facility has a projected cost of \$2.1M and NHS is seeking \$500,000 from the City's ARPA program. The credit union services will be available to all City residents. They requested approval to provide financial empowerment to the people they serve.

- Olivet Boys & Girls Club of Reading and Berks – 90 second elevator pitch – Chris Winters

Mr. Winters stated that the Olivet agency is 124 years old and he described the mission and work by the organization and their programs to benefit Reading youth. He stated that services continued throughout the pandemic and he noted that various partnerships that were forged to benefit the youth. He stated that Olivet serves 3000 youth per year. He stated that Olivet has applied for \$250K for building improvements.

- PA Americana Region Visitors Bureau – 90 second elevator pitch – Crystal Seitz

Ms. Seitz described the features marketed by the bureau and she stated that the bureau acts as the City's publicity firm, bringing revenue into the City. Over 60 businesses and events are advertised. The bureau receives 1% of the 5% hotel tax (the remaining 4% goes to the Convention Center Authority). As the bureau is not a 501c3, they are unable to seek charitable donations. The City has provided no funding for the bureau's services for the last 20 years. She stated that ARPA guidelines suggest giving 25% of the available funding to travel and tourism.

In response to questions from Council members the following testimony occurred:

- The bureau has a pre-pandemic budget of \$800K per year, which is four times lower than bureau budgets in surrounding counties. Apart from the 1% from the Hotel Tax, the bureau's main revenue source is from advertising. In reality the bureau is a small business that operates like a non-profit.

- A new strategic planning plan which will focus on improved marketing is under development. The plan is looking at increasing the tourism diversity.
- When the bureau opened in 1964, it was located within Reading. After that the bureau moved to the Vanity Fair outlet center, then back to Penn Street. When the Penn Street office became too small, the bureau moved to the Expo Center in Muhlenberg Township (free space for 10 years), after that lease ended the bureau moved to a location just off the Route 222 Extension (aka Road to Nowhere) as they were unable to afford available spaces within Reading. After the expiration of the current lease the bureau would reconsider a Reading location, if something reasonable and easy to access is available. Ms. Seitz noted the need to be easily assessable to the public.
- The bureau did receive Imagine Berks funding from the County. The \$175K requested in the City's application will match the funding provided by the County and allow the bureau to develop a global marketing plan for Reading and Berks.
- When questioned about a membership requirement, Ms. Seitz stated that the bureau has "partners" not members and that the website includes broader advertising that is not exclusive to their partners. A business gets a year of advertising for \$350-400.
- After a remark about the need to improve the marketing of the features within Reading, Ms. Seitz stated that that will occur through a revamped website.

Mr. Kelly left the meeting at this time

- Prospectus Associates Inc – 90 second elevator pitch – Jessica Penchard

Ms. Penchard stated that this organization is a license service provider for individuals with disabilities. Employment training, housing and skills activities are some of the services provided. She stated that the day program was forced to close during the pandemic and the organization has been unable to return to its full operating capacity – currently operating at 43%. Approval of the application will help restore the organization's capacity.

In response to questions from Council members the following testimony occurred:

- The organization experienced a \$500K loss in the day service programs. That loss continues to grow. Pre-pandemic the organization served 274 individuals, currently only 120 are served.
- A note was made about flaws in the information that was extracted from the applications and listed on the spreadsheet provided to Council and flaws in the application itself.
- Major revenue losses came from the State Office of Human Services due to the need to close down the program for individuals under that program. Some State CARE funding was provided in 2020 but nothing else was received.

- Reading FilmFEST – 90 second elevator pitch – Cammie Harris

Ms. Harris and the Board President noted that local government often invests in local film offices and these offices often assist in the revenue growth of the home municipality. They

noted that Reading Film was the organization that worked with Lynn Nottage to create the “This Is Reading” multi-media production.

In response to questions from Council members the following testimony occurred:

- The group has a normal operating budget of \$98K. Their application requests \$460K to create a sound stage and do other projects. Funding is obtained from corporate sponsors and grant programs.
- City funding will create 2 full-time and 2 part-time jobs. Internships occur through Kutztown University.
- Noting the mayor’s recommendation for half of that requested, they noted their plan to implement a three (3) year marketing plan, which will focus on filmmaking opportunities and resources such as crews, photographers, etc. within Reading, working with partner organizations
- Partnerships and events with the School District and other agencies were described.

- Reading Pride Celebration – 90 second elevator pitch – Enrique Castro

Mr. Castro noted the work of all these organizations to work to create a great City. He stated that he is amending the original amount request of \$30K to \$50K. He stated that the organization is 16 years old and is all volunteer based. The increase is due to taking on the youth LGBTQ program and formalizing office space for the organization.

- Reading Science Center – 90 second elevator pitch – Lisa Meredith Unrath

Ms. Unrath stated that the center opened during the pandemic which caused some unforeseen cost increases. The center remained open through the pandemic serving the student population on and off site in the STEM area. She described their work with other organizations and partners. She stated that their application for \$86K will enable the center to grow and improve. The center partnered with various donors allowing them to remain open on Tuesdays and Saturdays – additional openings are arranged by appointment. Field trips for schools are beginning to be rescheduled.

In response to questions from Council members the following testimony occurred:

- The application lists lost funds of approximately \$23K. \$86K will recover the lost funds and provide the center with growth capacity. Noted was the difficulty the center has competing with endowment based centers.
- Although the spreadsheet noted the absence of financials provided, those financials were included in the application.
- The center opened with 27 exhibits growing to 54 exhibits with 6 additional exhibits coming in December. Hands on activities are also included.
- Various grant funding to support the center was described.

Mr. Kelly rejoined the meeting virtually.

- Schuylkill River Greenway Association – 90 second elevator pitch – Tim Fenchez
Mr. Fenchez stated the goal of the organization is to connect people with the trail system and to create a trail system that links Philadelphia with Frackville (120 mile trail). He stated that this project is community driven and he noted the pandemic greatly increased the use of the trail system and that increased usage continues. He noted how trail systems are great economic drivers for municipalities. He stated that the group plans to use the City ARPA funding to match the DCNR funding for the project linking the RACC pedestrian bridge with Penn Street – a \$1M project. The organization’s main office is located in Pottstown and is seeking \$500K from the City for this project.

- Star City Boxing Company – 90 second elevator pitch – Monica Rios and Alex Betances
Ms. Rios and Mr. Betances stated that Star City has outgrown the building they opened in five (5) years ago. The funding requested will help them expand the program and move to their new, larger location. Ms. Rios stated that the move is also necessitated by the upcoming closure of Schuylkill Avenue due to the replacement of the Schuylkill Avenue Train Bridge, which would limit access to the building. Star City requests \$215K. Beyond the sport of boxing the program also provides critical life direction to those who participate and assist with violence prevention.

In response to questions from Council members the following testimony occurred:

- Ms. Rios stated that the organization is moving to 1310 North Front Street, the former Reading Rental building. The larger building will allow the program to double in capacity.
- Mr. Betances stated that the inspiration for this program stemmed from the closure of the boxing program that was held at the Baer Park Fieldhouse. The program participants are boys and girls
- Mr. Betances stated that the front of the property on North Front Street will be apartments and the rear (former auto body shop facing Centre Ave.) will be the gym. (Zoning for the gym has been approved)

- The Real Deal 610 – 90 second elevator pitch – Seleda Simmons
Ms. Simmons stated that her program focuses on addressing recidivism, mental health and youth gun violence. She described the success of events and programs and partnerships. The request is based on the need to expand to monthly programs. All those who work with the Real Deal are volunteers. Those utilizing services are also expected to volunteer.

In response to questions from Council members the following testimony occurred:

- Ms. Simmons stated that the \$50K request will cover expenses on a monthly basis for one (1) year. She stated that this is a grassroots organization that goes to sites, holds town meetings, etc. on a voluntary basis.
- The funding requested will allow events and other outreach that the City will not have to provide. Currently the program operates from the BCAP offices, but the

organization is independent and a BCAP partner. They are in collaboration with other similar programs. They currently have eight (8) 16 year olds in their weekly peer support program.

- The Salvation Army – 90 second elevator pitch

Hector stated that the organization remained functional during the COVID shutdown, serving over 400,000 meals to over 360 individuals. The organization developed a deficit due to their inability to hold their annual breakfast fundraising events over the past two (2) years. Their funding request of \$100,000 will allow them to hire an employee to provide an after school program and cover overall operational expenses including PPE costs.

- YMCA of Reading & Berks County – 90 second elevator pitch – Ken Borkey

Mr. Borkey, YMCA Vice President, stated that their funding request will apply specifically to the Reading branch. Services at the Reading branch include, child care, transitional housing, addiction recovery, before and after school programs and health and wellness programs. The Reading branch remained operational for child care and transitional housing under an emergency waiver from the State. Their funding request of \$772K will be used to upgrade their air conditioning system on the 1st and 2nd floors of the building. Partial funding for the upgrade has been provided by the County ARPA (\$193K) and individual donations or grants.

In response to questions from Council members the following testimony occurred:

- The YMCA has 150 rooms for transitional living and single room occupancy, 140 children receiving child care services and 250 youth health and fitness memberships (total of 40 memberships)
- The YMCA lost \$500K at the Reading branch, due to the shutdown health and fitness memberships

II. Applications Submitted but Not Recognized

Ms. Cepeda-Freytiz stated that currently three (3) organizations were found to have submitted applications that were not viewed as received or recognized. She invited those organizations to make their 90 second pitch.

- Opportunity House – Modesto Fiume

Mr. Fiume has provided homeless services since the late 80s on North 2nd Street along with Veterans programs services and a retail location “Op Shop”. An application for rehabilitation for the homeless shelter was requested. Its last renovation occurred in 1997.

The project cost is \$1.1M and the application requested \$500K. The County ARP application was approved for \$280K. An application for HOME CARE funding was also submitted. He noted the mix up with the handling of his application and expressed hope that this project can be considered.

Council members apologized for the mishap and they stated that they just learned about this problem. They wondered how any others fell into the same situation but have not come forward to identify the lapse, noting that the applications were managed by the administration, not the Council office.

- RIZE – Edna Garcia

Ms. Garcia stated that she submitted her application on May 12, 2022. She stated that her application for \$148,396 submitted was to support her mental health, youth probation and violence prevention programs. She described the difference between her ARP application and the Berks for Peace event application. She described the programs and services provided from their home office at the Goggleworks.

- NAACP

Ms. Kelleher stated that Stacey Taylor had been connected virtually but she is now disconnected. Ms. Reed stated that Ms. Taylor had a conflicting event this evening. Ms. Reed stated that during her conversation with Ms. Taylor today, she learned that the NAACP was unaware that the City was accepting grant applications from non-profits.

Mr. Kelly stated that some applications were sent to an incorrect email address which explains why they were not processed. The correct address was ARPGrantSubmissions@readingpa.gov with Mr. Kelly, Mr. Denbowski and Ms. Keehn as recipients.

III. Next Steps

Ms. Cepeda-Freytiz thanked those who participated at tonight's meeting. She encouraged anyone who had a similar issue to contact the Council office.

Ms. Reed expressed the belief that this process is not closed and Council intends to provide an open playing field. She described the ARP program deadlines.

Mr. Daubert noted the need to reopen the process to those who hit application hurdles, those who were unaware, etc. However, he noted the need to define parameters for this grant program, as Ms. Reed noted that the amount agreed upon at the beginning of the application process was doubled by the mayor half way through the application review process.

Ms. Ventura suggested reopening the process for those who have not had applications considered but she suggested not holding up those who have applied and have gone through the process to date.

Ms. Goodman-Hinnershitz noted the need to help everyone get on the same page as the application was poorly prepared. She suggested utilizing the City's outside consultant to assist with the management of this application process, prior to considering the applications as a whole. She stated that she prefers voting on each application separately after defining the amount of total funding for this grant program.

Mr. Butler agreed with handling the applications received to date on an individual basis.

Mr. Miller thanked the participating organizations. He noted the importance of these decisions and the need to make decisions after all submissions are considered, including those whose applications were not considered and those who have not had an opportunity to apply, so all are treated equally.

Mr. Daubert thanked the organizations to responding to the questions on the applications submitted. He noted the variables between the applications and the information provided to Council on the spreadsheet recommendations. He, too, favors considering the applications individually.

Ms. Reed noted her discomfort with the divide between those who have applied and those who for some reason were not included, as all nonprofits should be treated fairly. She also noted that she was a member of the ARPA Review Committee and the allocation applied at the beginning of the review process was doubled midway through the review process by the mayor, which is unfair. She noted the need for assurance that all viable groups have had the opportunity to apply. She noted the need for the administration and Council to be on the same page, which has not happened.

Ms. Cepeda-Freytiz agreed that those who have submitted applications should not be held up.

Ms. Reed noted the need to first define the amount of the grant allocation before applications are moved forward for a vote.

Ms. Cepeda-Freytiz noted the need to also consider funding for the three (3) universities and small businesses.

Ms. Goodman-Hinnershitz agreed with the need to defining the amount of the total grant allocation prior to making decisions on the applications.

Mr. Kelly stated that he is open to providing more detail on the process used to manage the applications outside of a public forum but in a session between the administration and Council.

Ms. Reed objected to Mr. Kelly's statement, noting that the Sunshine Act requires discussions that are open to the public.

Mr. Kelly stated that the City has \$53M in ARPA funds available to cover lost City revenue and eligible 501c3's re eligible for ARPA funding under the federal guidelines. He offered to provide documentation regarding two of the organization who made presentations tonight about their unprocessed applications.

Ms. Cepeda-Freytiz suggested defining the next steps with the administration at the August 15th COW.

Mr. Butler noted the need to have the support of four (4) Council members to move the process forward.

Mr. Gombar explained the procedure to consider ordinances that were introduced.

Ms. Reed inquired about the liability due to the observed irregularities in this process.

Mr. Gombar agreed that there is an exposure to potential liability if there are flaws in the process that create a divide and treat applicants differently. He stated that if the body agrees to an allocation amount for this initial round of applicants and a second allocation for others not yet considered, a vote on the applications could occur at the next regular meeting.

Ms. Cepeda-Freytiz stated that the August 15th session is a COW and there is no public comment period and that the next public comment period will occur at the August 22nd regular meeting.

The meeting adjourned at approximately 8:40 pm.

*Respectfully Submitted by
Linda A. Kelleher, CMC, City Clerk*