



COMMITTEE of the WHOLE

CITY COUNCIL

SUMMARY
October 17, 2022
5:00 P.M.
Hybrid Meeting

COUNCIL MEMBERS PRESENT:

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

OTHERS PRESENT:

L. Kelleher, F. Freytiz, J. Kelly, M. Rodriguez, F. Lachat, J. Abodalo, E. Moran, J. Stoudt - in person and S. Smith, WFMZ, M. Lynch, M. Gombar, K. Zeiber - virtually

Ms. Cepeda-Freytiz called the COW to order at approximately 5:30 pm. She asked the administration to provide the overview of the CD Budget.

Note: During Budget Review this symbol → will be used in all meeting summaries to show items referred into the Parking Lot for further consideration.

Community Development (CD) Department

Mr. Kelly explained that overall the CD Department generates \$4.3M in revenues and absorbs \$5.5M in operating costs.

- **Property Maintenance**

Mr. Kelly stated that Abatement expenses have risen to \$110K and he explained that this line item is used when the property owner fails to correct a maintenance issue and the City brings in a contractor to make the correction, then files a lien on the property. He explained that the cost for postage is being reduced as mailings for the division are handled by the CSC. He noted that the City is legally required to use 1st class mail to send notices, taxes, etc. In April 2023, the next phase of Tyler Munis will become operational which includes licensing, permitting, fee payment, etc. for all operating areas and he explained how the general ledger collects information via the parcel ID number and how the various components communicate.

This information is available internally and to the public. When this system is operational, the division will be able use other means to handle fees, licensing, etc.

Ms. Cepeda-Freytiz inquired if staff increases are needed to improve the performance of the Property Maintenance Division (PMD). Mr. Abodalo stated that the PMD has experienced a high amount of transition and that there are currently four (4) inspector vacancies and one (1) supervisor vacancy. After these positions are filled the PMD will be properly staffed.

Mr. Kelly stated that the two (2) SWEEP positions were recently filled. He reminded Council that originally there were to be four (4) part-time SWEEPs, but the City was unable to fill those part-time positions and Council agreed to merge the four (4) part-time positions to create two (2) full-time positions.

- Zoning

Mr. Kelly stated that the budget includes the addition of a 3rd zoning inspector and this Division also includes a Planner, a Planning Manager, a secretary and two (2) part-time clerks.

Mr. Abodalo explained that the new Overtime costs were caused by the unfilled Zoning Administrator position, which required the inspectors to work overtime to manage the application process and attend Zoning Hearing Board meetings. He predicted that hiring a third qualified inspector will negate the need for overtime expenses.

Ms. Reed stated that the draft budget includes a part-time clerk in Historic Preservation. As the City has five (5) historic districts she suggested making that a full-time position. She noted the large backlog in applications and enforcement. As an example she referred to the recent problem at the property at 4th and Penn Streets.

Mr. Daubert and Ms. Goodman-Hinnershitz agreed with the need for an additional full-time position in HARB, adding that it will be easier to attract a full-time applicant to assist in the management of the five (5) historic districts.

Mr. Miller also agreed with the addition of a full-time clerk, noting that when the first historic district was approved (Callowhill) there was one (1) Historic Preservation Specialist. As there are now five (5) historic districts and the potential for more, additional staffing is required. He noted that currently HARB is reactive and adding staff may enable a proactive approach and improve education and enforcement.

Ms. Reed agreed, noting that historic districts protect properties and property values. Ms. Cepeda-Freytiz also agreed.

There was a discussion on the benefits of historic preservation.

Ms. Cepeda-Freytiz inquired about the function of the SWEEPs. Mr. Abodalo stated that SWEEP stands for Solid Waste Education Enforcement Program, which came into effect when the City-wide trash began. These positions provide interaction between the property owner and Public Works/Property Maintenance.

→ Modification to CD Admin budget & Position Ord – making the PT HARB clerk full-time.

Mr. Abodalo stated that as the City was also without a Planner and/or Planning Manager a consultant was needed to carry on with the required planning duties.

Mr. Kelly stated that the expense for the planning consulting services was \$328K in 2022 and projected at \$150K for 2023.

- Trades

Mr. Kelly stated that the Trades budget includes \$400K in Contracted Services for emergency demolition (increased from \$280K in 2022), separate from the amount included in the CDBG Action Plan (HUD budget) for scheduled demolitions.

Mr. Kelly stated that the Trades Testing expense is reduced - \$12K to \$4K. Mr. Abodalo explained that the Testing expense is reduced because the City will begin accepting licenses or certifications approved by other municipalities.

Ms. Kelleher noted that reciprocal licenses are already accepted and the reduction is occurring in staff expenditures because the Trades inspectors and boards will no longer be moderating the trades testing process for apprentices, journeymen and masters, a third party will moderate the testing and send the results to the City inspector and board.

Mr. Abodalo stated that testing will be reduced as licenses will be accepted from cities and townships, also reducing the need for staff providing testing.

Mr. Kelly stated that staffing in Trades consists of a Chief Building Official, a Commercial inspector, a Residential inspector, an inspector for HVAC, Electrical and Plumbing, a secretary and a development and inspection clerk.

- CD Administration

Mr. Kelly stated that staffing includes a CD Director, a Deputy Director, a Historic Preservation Specialist and the HARB clerk previously discussed. He noted that the CD Director's salary is half funded by the CDBG Action Plan in Fund 32.

Ms. Ventura stated that she does not support the full-time Historic Preservation clerk as she sees a greater need for new positions and higher salaries in other areas such as the Human Relations Commission. Mr. Kelly noted that in the Human Relations Commission the two (2) part-time file clerks are being merged to form one (1) full-time position.

In response to some questions about salaries for positions that are the same or similar, Mr. Kelly explained that the salaries will not match across the board, as some employees have been in those positions for a longer period of time and are receiving longevity or step increases in Property Maintenance. He stated that vacant positions should have the same salary listed.

Mr. Kelly explained that while positions in CD Admin are shown as strikethroughs and are not funded, they remain shown in case there is a desire to fill these positions in the future.

Ms. Cepeda-Freytiz noted the need for a correction in the SWEEP salaries.

→ Correction to SWEEP and Property Maintenance salaries

Mr. Kelly reviewed the salaries covered by the CDBG Action Plan in Fund 32:

CD Director - \$56,925K to \$59,771

Deputy Director - \$40,000 to \$42,000

Program Manager – unfunded

CD Specialist - \$68,286 to \$71,018

CD Coordinator \$62,100 to \$65,205

Fiscal Officer - \$62,100 to \$65,205

Mr. Kelly explained that the unfunded positions shown in Fund 32 are covered by grants or other funding sources.

In response to a question from Ms. Goodman-Hinnershitz, Mr. Kelly explained that the Health Literacy grant has various restrictions and is focused primarily on COVID. Mr. Moran agreed noting that the Health Literacy grant funding covers the salary of the Health Equity Director and the value in the data that is being collected regarding the lack of services for women in the community.

Mr. Abodalo asked Council to consider filling the Program Manager position, as CD Admin covers a wide range of activities with very limited staffing, noting that the Deputy Director has been vacant for the majority of the past three (3) years. In 2021 the monitoring of the HOME and ESG CDBG programs were consolidated into one position and the department received three (3) grants for lead abatement and the Home Health program (the 3rd grant program was not mentioned) which requires additional staffing. He added that the zoning administrator and Chief Building Official positions have been unfilled for a long period of time. Filling the Deputy Director and Program Manager would enable the department to open additional programs and grants and allow improved monitoring. Currently three (3) positions are doing the work of five (5) which is very difficult.

Ms. Cepeda-Freytiz and Mr. Daubert requested an organizational chart with the responsibilities of each position so funding additional positions can be considered.

Mr. Kelly offered to provide this information. He noted that a request from MDJ Butler last week required an “all hands on deck” session for the managing director, CD director, mayor and others and if the program manager position was filled that person could have provided the necessary coordination for the information the MDJ requested.

Mr. Moran stated that the MDJ request stemmed from the need for rental housing assistance to prevent the eviction of five (5) families.

Ms. Rodriguez noted the request for \$250K in funding originated in May.

Ms. Cepeda-Freytiz inquired about avoiding this problem moving forward. Mr. Kelly stated that there is currently not enough staff to process the internal paperwork and HUD drawdown. He described the additional convoluted internal process to verify the need for funding.

Mr. Kelly stated that the \$250K has been spent. Ms. Rodriguez stated that when she reviewed the file she found that only \$37K in funding was used. She offered to discuss this further later.

Ms. Reed questioned the City’s responsibility and process to prevent evictions and she inquired about the number of people/families that were provided with assistance. She suggested that the City should not be the first resort for those facing eviction. She also inquired about what caused the need for assistance.

Mr. Kelly stated that there are three (3) funding areas for eviction prevention – CDBG COVID, HOME and he deferred to Mr. Abodalo. Mr. Abodalo stated that there is ESG and ESG COVID with \$2.1M, and CDBG C Fund under the HOME program. The process begins with an application to the Human Relations Commission (staffed by two individuals).

Ms. Reed interrupted and inquired what created the issue last week. Mr. Kelly stated that the problem was caused by the backlog in cases in the Human Relations office, the expenditure of the \$250K available and the recent drawdown of an additional \$151K from HUD. On Thursday only \$140K of the case backlog was validated for the seven (7) families) under threat of eviction due to missing paperwork with some applications. As of today, all seven (7) evictions were prevented out of a total of 43 cases categorized as pending.

Ms. Ventura inquired about the program requirements and if there are limits on the City’s program requiring some applicants to be referred to BCAP or other organizations. Mr. Abodalo stated that no two cases are alike and some are referred elsewhere depending on the configuration of the family. There are also cases where the family is seeking a new residence.

Ms. Ventura questioned if there is a limit on the number of evictions we can prevent or the people we can serve.

Mr. Kelly stated that there is \$2.1M in the ESG COVID HUD line item, which was audited this past summer showing that \$1M was used. He predicted that to date that number is probably in the range of \$1.5M. He noted the need for an internal conversation about ending this program so other needs can be addressed.

Ms. Goodman-Hinnershitz suggested having a single organization that can assist with eviction and other services. Mr. Kelly stated that Ms. Goodman-Hinnershitz' suggestion is another factor to justify the Program Manager as HRC staff does not have the time to walk those affected through all the additional opportunities/services. Mr. Moran agreed, noting the amount of time the HRC director spends in court.

Mr. Moran excused himself due to an emergency.

Mr. Abodalo stressed the need to attract qualified professionals at the right compensation package.

Ms. Rodriguez noted the restrictions around the use of the ESG COVID \$2.1M. Mr. Kelly agreed, noting that as the public has moved on from COVID perhaps City programming should move on too.

CDBG Action Plan

Mr. Abodalo stated that this program is funded by HUD. He explained that this annual process begins with the CAPER – Consolidated Annual Action Performance Report – at the beginning of the year, followed by the start of the annual application period in May. The application period closes June 30th. The City expects to receive approximately \$2.4M over the programmatic areas.

- CDBG Program - Non-public Services - \$2.089M

Projects to be undertaken by the City such as the purchase of a fire truck, replacement of ADA ramps, playground improvement, etc. The plan shows funding/spending over a five (5) year period. Mr. Abodalo noted the Capital Project Manager's assistance in getting these projects moving. He explained that CD administrative costs receive approximately 8% of the total HUD allocation. Scheduled demolition is funded at \$300K in this program (separate from the emergency demo funding in the Trades Contracted Services line item). The façade improvement program for commercial and residential is funded at \$70K.

Mr. Kelly inquired about Federal program requirements on the façade program. Mr. Abodalo stated that a minimum of three (3) bids is required along with use of prevailing wage which doubles the average local wage and increases the project cost.

- CDBG Public Services - \$310K

Mr. Abodalo highlighted the programs that were approved for funding such as Community Policing, Homeless Coalition, Human Relations – Fair Housing and Homeless Prevention, Family Promise, etc.

Ms. Cepeda-Freytiz inquired about the shifts Community Police work in the downtown. Mr. Abodalo stated that shifts are assigned by the Police Chief or Patrol Captain, not the program. Ms. Cepeda-Freytiz and Ms. Ventura suggested assigning the Community Police officers to work during the evening hours.

Mr. Daubert stated that he can support the proposed spending plan.

In response to a question, Mr. Abodalo stated that prior to the vote on the CDBG Action Plan in mid-November, Council can request modifications to the plan. Mr. Kelly agreed noting the need to make modifications prior to mid-November.

Ms. Goodman-Hinnershitz inquired about the funding for Homeless Coalition Code Blue. Mr. Abodalo stated that the funding is in jeopardy and that a meeting about non-congregational shelters is planned in the near future.

- HOME - \$1.04M

Mr. Abodalo stated that HOME is allocated for home acquisition, resale and rehab, CHDO (NHS), homeowner assistance, etc.

The HOME ARP allocation of \$3.5M was received in early 2021 and the City is working to find projects to use this funding prior to the deadline of July 2023. Consulting is occurring with the Housing Authority, Homeless Coalition and other organizations.

Mr. Daubert noted the receipt of an email intimating that the 2021-22 HOME funds were not expended. Mr. Kelly stated that this is in reference to the Opportunity House application that did not qualify under HOME ARP; however, they really intended to apply for the ARPA non-profit grant.

Mr. Daubert inquired if the 2021-22 allocation was spent. Mr. Abodalo stated that it is difficult to spend down the 2020-21-22 allocations due to the projects and acquisition. He stated that Delaware Valley group was allotted \$500K from 2020 funding for the Buttonwood Gateway project which will be provided following the submission of an application. For Habitat for Humanity (HfH) several funds between 2017 and 2021 were merged to provide HfH with \$1.5M in two (2) parts for specific projects.

Ms. Cepeda-Freytiz read from the email message to provide clarity regarding disbursements for the City and County. While the City has only committed 10%, the County has committed 100%. She offered to forward the message to Mr. Abodalo. He noted the difference in funding approaches applied by the City and County. He explained that HOME funding must be used

within five (5) years and HOME ARP by July 2023. He stated that he will respond to the questions raised.

Ms. Cepeda-Freytiz questioned how the HOME ARP funding can be used. Mr. Abodalo stated that there are stringent requirements and that other cities are struggling as well. Ms. Cepeda-Freytiz requested a copy of the HOME ARP requirements and restrictions.

→ CD Admin Organizational Chart with position description and proposed salaries

→ HOME ARP requirements and restrictions – project deadline July 2023.

Ms. Goodman-Hinnershitz requested copies of the CDBG applications.

→ copies of the HOME ARP applications

- ESG - \$277,875

This program covers the continuum of care for homelessness with allocations for emergency shelter, homelessness prevention and rapid re-housing, street outreach, etc. Mr. Abodalo described the street outreach program.

Mr. Abodalo stated that there are additional funds in the two (2) grants from ESG CV – for approximately \$750K which has been expended and a 2nd \$1.4M for a total of \$2.2M; approximately \$600K has been used. He added that CDBG CV funding of \$1M has been allocated. He stated that through a year and a half \$1.7M was spent on rent and utility assistance relief with \$1.6M remaining for use by July 2023.

Ms. Reed inquired about the number of Reading families that received assistance from the City and the County. Mr. Abodalo will provide that information later.

→ Number of Reading families that received rental and utility assistance from the City and the County.

Ms. Goodman-Hinnershitz stressed the need to expand the Street Outreach program. She noted that some individuals have serious mental health issues and refuse services. She suggested using some of the leftover funding for Street Outreach.

Ms. Cepeda-Freytiz inquired about how to assist those who refuse services. Mr. Abodalo noted his reliance on the HRC due to their communication and connection with the homeless population.

Ms. Cepeda-Freytiz suggested considering a mental health shelter. Ms. Goodman-Hinnershitz noted the time limit restrictions on housing, etc. She also highlighted the gaps in

mental health services. She explained that Federal laws changed in the 1970's that began with the de-institutionalization of mental health facilities which has created this problem.

Ms. Cepeda-Freytiz asked Council to review the report prepared by Mr. Zeiber which is attached to the agenda.

Mr. Daubert moved, seconded by Ms. Ventura, to adjourn the meeting at approximately 7:35 pm.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk