

**MINUTES FROM A SPECIAL MEETING OF THE READING
REDEVELOPMENT AUTHORITY OF THE CITY OF READING
HELD ON 18th APRIL 2018**

The Redevelopment Authority of the City of Reading held a meeting at 815 Washington Street, Room 2-53 in the City of Reading, County of Berks, and Commonwealth of Pennsylvania, on 18th day of April, 2018.

The meeting was called to order at 3:01 p.m. by Mr. Heinly, Chairman and on roll call, the following were present:

Mr. Chris Heinly,	Chairman
Mr. Melvyn Jacobson,	Member
Mr. Juan Zabala,	Member
Ms. Pam Shupp	Member
Mr. Glenn Steckman	Member

Also present were:

Mr. Dennis Witwer, Executive Assistant
Mr. Keith Mooney, Barley, Snyder
Mr. Adam Mukerji, RRA Consultant

Other attendees:

Councilwoman Donna Reed
Mr. J.D. Turner, Reading Skate Park Assoc.
Mr. Daniel Egusquiza, Barrio Alegria
Ms. Deborah Galan
Mr. Sean Moretti, Destination Realty, LLC.

Upon roll call, Mr. Witwer declared a quorum.

Public Comment:

Mr. Daniel Egusquiza informed the board that his company, Barrio Alegria is working on a pilot program to create affordable housing. He stated that he would like to see a land trust created.

Ms. Deborah Galant addressed the board; she is a former employee of NHS, working for Mr. Ron Miller for 9 years. She asked the board to discuss eminent domain and the process of taking blighted properties.

Mr. Sean Moretti, of Destination Realty addressed the board regarding Blighted Properties in the City of Reading. He also spoke of the A.D.D. program run by the County.

3rd & Spruce storage building:

Mr. Witwer handed out three bids for proposed repairs to be done on the building located at 301 S. 3rd street. The building is in much needed repair.

Mr. Jacobson asked if an engineer had been out to the building assess the situation and to put together a scope of work for contractors to base their repairs on.

Mr. Jacobson asked the board to reject the bids until an engineer was hired to put together a full detailed report which could be put out for bid at a later date. Mr. Steckman seconded the motion and all members were in favor.

Finance Report:

New board members Ms. Shupp and Mr. Steckman ask questions regarding the finance reports. Ms. Shupp stated that she did not recognize the current form of report as an actual finance report. She asked where the balances for all the accounts were. Mr. Steckman also asked for complete balances and a budget.

Mr. Mukerji stated that the finance report given to the board members was for the operating account held by Customer's Bank. The report shows all the bills receivable and payable. He gave a rundown of the other accounts the RRA has funds in. He also stated that the RRA has never done a budget, but has a yearly audit done by Blosky & Associates.

Mr. Witwer stated that he can put together a different finance report if so desired.

Greening Penn Street:

Mr. Jacobson gave a brief synapse of the timeline for the Greening of Penn Project which started back in 2015 with an EPA grant which was

awarded to the City of Reading in 2016. He stated that the EPA had provided funding for a study to be performed and for a consultant to carry out the study. He went on to discuss the several charrettes that were held for public comment so that everyone involved had a better understand of what citizens and business owners would like to see in the downtown corridor.

Mr. Jacobson stated that now in 2018, the project is at a standstill. The RRA has put in much time trying to move the project forward. The board wants to move forward and not to lag behind other cities in the Commonwealth.

Mr. Jacobson said that he would like the RRA to take the reins to keep the project moving forward. He reminded the board that Simone Collins is the landscape architect that had been working on the project. He stated that the next step in the process should be to create the base maps.

Mr. Jacobson stated that he would like to see a coalition created to ensure the continuation of the project. He stated that more grants should be applied for and he stressed the importance of the City's support in the effort.

Ms. Shupp stated that there were base maps created back in 1997, before GIS and she didn't think there were any in the GIS system currently.

Mr. Jacobson made a motion was set forth to affirm the RRA's commitment to the Greening of Penn Street project and take leadership of the project. Ms. Shupp seconded the motion. Mr. Steckman abstained from voting, all other members voted affirmatively. 4y - 1a - 0n

Riverview Industrial Site:

Mr. Mukerji informed the board that there had been an offer from a New York based company to purchase 12 acres of land. BrightFarms had proposed to use the land for hydroponic farming.

Ms. Shupp said she recommended BrightFarms to locate in Reading.

Mr. Mukerji stated that the company was interested in 12 acres in the center of the 50 acres and produced a LOI. He stated that this was not the highest and best use on the land. He stated that having the farm in the center of 50 acres would make the rest of the land less appealing to other developers.

Mr. Steckman stated that he is aware of other companies who are interested in the land and Mr. Mukerji agreed stating that since the price has been lowered there is a renewed interest.

The board rejected the LOI and directed Mr. Mukerji to continue to negotiate with BrightFarms and discuss the possibilities to locate elsewhere on the land that would not be as intrusive to the remaining land.

615-R Kenhorst Blvd.

Mr. Mukerji advised the board that the property was sold for the price of \$370,000 which netted the RRA \$329,750.00. He stated that there were environmental concerns which the RRA will be able to recoup from the Depart of the Navy.

Parcel 32 – Skate Park:

The board was presented with an MOU for the Reading Skateboard Associate for a proposed skate park to be created at 601 Canal Street, Parcel 32.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is made this ___ day of _____, ____, by and between READING SKATE PARK ASSOCIATION (“Applicant ”) a Non-profit corporation organized under the laws of the Commonwealth of Pennsylvania and City of Reading, a City of the Third Class, located in Berks County, Commonwealth of Pennsylvania (the “ City”).

WHEREAS, on or about February 21st, 2018 Applicants met with the City to discuss the installation of a Recreational Skateboard Park (the “Park”) within the City (collectively, the “Project”) (the Project is further depicted on drawings attached hereto as Exhibit “A” and incorporated herein by reference); and

WHEREAS, the Park is proposed to be located at the address commonly known as 601 Canal Street, Reading, Berks County, Pennsylvania with a property identification number of 02530643866370 (the “Property”)

WHEREAS, the Park will consist of permanent engineered elements designed specifically and commonly used for skateboarding. The area surrounding the elements consist of paving. The perimeter of the Park will consist of security fencing.

NOWTHEREFORE, the Applicants and the City desire to memorialize the required actions necessary to ensure successful completion of the Project and in order for the City to issue a building permit, the Applicants have agreed to:

1. Submit engineering plans indicating the location of the Park. The engineering plans will list: (i) the deed book volume and page for each property the Park is proposed to be located (the “Plans”).
2. Provide a construction schedule for construction of the Park in accordance with the Plans.
3. Provide a copy of a PA ONE call and list of response by utility company.
4. Coordinate with utility companies for a review period as well as a site meeting allowing sixty (60) days for review and comment period.
5. Provide a list of subcontractors including emergency contact information.

6. Advertise in the Reading Eagle a minimum of two (2) times for a public meeting place and time to be determined and coordinated with City inviting interested neighbor to review the plans prior to commencing construction activities.

7. Provide financial surety as listed below:

- a. Performance bond in the amount of 10% of total construction cost.
 - b. Construction observation escrow fund in the amount of 10% of total construction cost.
 - c. Profession service escrow fund in the amount of eight thousand dollars (\$8,000.00)
 - d. Fee in lieu of curb and sidewalk in the amount of fifteen thousand dollars (\$15,000.00)
 - e. Twelve (12) month proof of insurance letter
8. Execute an improvements agreement.

FURTHER, City shall grant Applicant a site lease as soon as practical once the MOU is executed by the parties and shall last for the same term as the MOU so Applicant may obtain the necessary funding and permits to complete the Project. The terms of the site lease shall be reasonable and similar to other site leases the city has granted to other like projects. When Applicant knows a date for the start of construction, the parties shall enter into a long-term lease agreement with reasonable and mutually agreeable terms. Applicant shall not begin construction until said long-term lease agreement is executed. Once Applicant gives notice to the City that it is ready to enter into a long-term lease agreement the site lease agreement shall be extended until the long-term lease agreement is executed. The site lease shall terminate only when; 1) the term above is expired. However, the parties may agree to extend the term; 2) upon written notice to the City that the Applicant is abandoning the Project; or 3) a long-term lease agreement is entered into by the parties.

The Parties agree any notice, statement, demand, consent, approval or other communication required or permitted to be given, rendered or made by either party to the other, pursuant to this MOU (collectively, "Communications") shall be in writing, whether or not so stated elsewhere in this MOU, and shall be deemed to have been properly given, rendered or made if hand delivered or sent by mail at the addresses above.

This MOU neither party may assign or delegate any of its rights or obligations hereunder, except as expressly permitted by this MOU, without first obtaining the written consent of the other parties.

Except as hereinafter provided, this MOU shall remain in effect for a term of _____ (the "Term") commencing on the date first written above.

IN WITNESS WHEREOF, the parties have caused this MOU to be executed as of the date first written above.

The MOU was discussed amongst the board members. Mr. Turner, owner of Holistic Skate Shop is spearheading the project and estimates the park will cost about \$1.19 million and would like to begin the search for grant funding as soon as possible.

Mr. Steckman and Ms. Shupp said they did not have sufficient time to review the proposed agreement and asked that the vote be postponed and voted on at a special meeting.

Mr. Steckman raised concerns about the ongoing maintenance of the park.

Mr. Mooney stated that the association would be responsible for maintenance and insurance of the property.

Mr. Zabala stated that he understood that this was a time sensitive matter. The board agreed to hold a special meeting in a week to vote on the MOU.

Bylaws:

Mr. Zabala stated that he would like to have the bylaws amended regarding any sale agreements which involved old RRA board members.

The board voted to authorize Mr. Mooney to prepare a draft amendment to the bylaws that would make a board member ineligible to buy property from the authority for up to one year after leaving the board.

Mr. Heinly said that he thought this was a good idea and a prudent step to making sure the authority gets prime investors for its properties.

There being no further business to be brought before the board, Mr. Zabala made a motion to adjourn the meeting; all members were in favor.

Respectfully submitted by:

Executive Assistant