

**MINUTES OF THE REDEVELOPMENT AUTHORITY OF
THE CITY OF READING HELD ON 17th OF AUGUST 2023**

The Redevelopment Authority of the City of Reading held a meeting in the 3rd floor conference room located at City Hall, on the 17th day of August 2023.

The meeting was called to order at 5:05 p.m. by Chairman Miller, and on roll call, the following were present:

Mr. John H. Miller Jr., Chairman
Mr. Fred Thompson, Vice-Chairman
Mr. Thomas McMahon, Treasurer/Secretary
Mr. Stephen Yarnell, Member
Mr. Goslyn Fleming, Member

Also present were:

Mr. Jamal Abodalo, Executive Director
Ms. Nicole Fick, Asset Manager
Ms. Melissa Krishock, Esq., Bingaman Hess
Ms. Shannon Calluori, Hailstone Economics, via telephone
Mr. Andre Murphy
Ms. Danae Jenkins
Mr. Kenneth Murphy
Mr. Paul Mazzota

Yearly reorganization of the board

Mr. Fleming nominated Mr. Thompson for chairman. Mr. Miller nominated himself. Motion was made for Mr. Thompson to be chairman. Mr. Miller was not in agreement, however Mr. Yarnell, Mr. Fleming, Mr. McMahon, and Mr. Thompson. Motion passed with four yays and one nay. Mr. Yarnell was nominated for vice chairman by Mr. Fleming. Motion passed unanimously. Mr. Thompson nominated Mr. McMahon for Treasurer. There was no opposition and the motion passed unanimously.

Consent Agenda Approval:

Mr. Thompson asked for a motion to approve the meeting minutes from June. Mr. McMahon made the motion and Mr. Yarnell seconded. Motion passed unanimously.

Public Comments:

17th August, 2023

Mr. Murphy is the owner of 1103 Spruce St. He stated he is originally from Philadelphia, PA. He lived in Reading from 2006 to 2010 and went to college at Albright University. Mr. Murphy was homeless for a time in Reading during college. He went on to start a mentor program for youth to help them make good decisions. His brother, Kenneth Murphy, who also attended Albright University and graduated from Penn State, has had experience revitalizing Philly. They have worked on programs to revitalize playgrounds in Philadelphia as well as ACE reading programs and STEM programs. They have advised youth and helped them establish connections. 90% of the participants were able to secure scholarships. Mr. Murphy is looking to improve the quality and availability of housing. He has helped youth establish businesses and become entrepreneurs. Ms. Jenkins' parents started programs partnered with schools.

Mr. Mazzota stated that he is looking to sell his family's property located at 105 Washington St., in Reading. From 1972 to 1995 his father worked for Boscov. Mr. Mazzota stated his father had helped take their organization to 61 stores in 7 states. He stated his building has three parking lots nearby, a bus stop, upgraded electrical system, renovated basement, and new roof. The property is commercial and is in an Economic Opportunity Zone. He would like to know if RRA is able to purchase the property. Mr. Thompson asked what he is looking to get out of the building financially. Mr. Mazzota stated that he is looking to get \$31.04/ sq. ft. He stated that other parcels in the 19601-zip code are priced higher than his, without parking areas. He stated that the building consists of four floors with open 9,000 sq. ft. He stated that there may be federal finding available to match funds for the purchase of the property. Mr. Thompson stated that the RRA is separate from the City of Reading. Mr. Yarnell stated that one function of the RRA is redevelop property. Mr. Mazzota asked about 301 Washington St. Mr. Abodalo explained that 301 Washington St. was blighted and conveyed to RRA. If Mr. Mazzota's property was blighted, the RRA would be in the business to take on the blight and put it back to use. 301 Washington St. was conveyed to RRA with a joint agreement with SPAK, who specializes in blighted properties. The process of negotiations is why the process takes a while. Mr. Yarnell stated that RRA is not solely redevelopment for financial benefit for the City of Reading. Mr. Mazzota inquired about Penn St. properties, RRA and City of Reading properties. Mr. Yarnell stated that we do not have an answer. Ms. Krishock suggested we move on with the agenda.

Finance Report:

Mr. Miller stated as of July 31st, 2023, the Customer's Bank balance is \$72,771.20 and PA Invest balance is \$426,590.80.

Approval of Bills Payable:

Chairman Thompson asked for a motion to approve the bills in the amount of \$64,887.13. Mr. Yarnell made the motion and Mr. McMahon seconded. Motion passed unanimously.

Property Update:

Ms. Calluori joined the meeting via telephone. Chairman Thompson mentioned the conveying of 628 Minor St., 56 S Front St., 637 S 6th St., and 422 Spruce St. Ms. Calluori stated they will send letters to the adjacent property owners informing them of the boards intention to convey the properties to them. Ms. Krishock asked, if the property owners do not want the property, what the compensation would be. Mr. Miller stated that the cheapest way to proceed would be through a Quit Claim Deed. Ms. Krishock agreed and stated that the owner of 626 Minor St. has already expressed his interest in 628 Minor St. It was mentioned that 628 Minor St., should be offered to 626 Minor St., because it is an owner-occupied property. Chairman Thompson added that the current neighboring property owners are maintaining the properties.

Chairman Thompson asked for a motion for approval to give authority to Executive Director and Solicitor to offer the properties to the neighboring property owners through Quick Claim deed. Mr. Miller made the motion and Mr. Fleming seconded. Motion passed unanimously.

Mr. Abodalo informed the board that 638 & 640 Schuylkill Ave. and 1103 Spruce St. has been transferred to the winning bidders. The highest bidder for 1404 Fairview St. has decided not to go forth with the sale. the \$3,000 that Bid4Assets received for the property will come to RRA. The second and third highest bidder did not show any interest in the property.

Chairman Thompson asked for an update on 301 S 3rd St. Ms. Krishock advised that the mayor must sign the Agreement of Sale and we have not yet received that. Payment will be coordinated afterwards. Chairman Thompson suggested that the RRA stop paying the electric bill. Mr. Fleming stated if RRA continues to pay, they are still liable.

Mr. Abodalo informed the board that SPAK is fully incorporated. We will go to settlement in November of this year. Settlement on water and utility will be completely dissolved. Mr. Abodalo does not know what happened in 2011 through 2015. The taxes had not been satisfied. Ms. Krishock stated that no information was passed onto her. Mr. Abodalo stated that SPAK is leading architect in Wyomissing. Will meet with them for Zoning. It's a long process the developer decided to go through HUD program. The sale has not happened.

New Business

Chairman Thompson asked to move onto the new business regarding the ADA compliance notice. Mr. Abodalo informed the board that this is a request to survey the property at 405 Carpenter St. Ms. Krishock stated that the board must sign to give permission. Chairman Thompson asked for a motion to approve. Mr. Yarnell made the motion and Mr. McMahon seconded. Motion passed unanimously.

Mr. Abodalo explained that Mr. Niemczyk used to be the party who had control over the RRA website. In early 2021 or 2022, the board had agreed to assign Hailstone to create and design website. Mr. Abodalo recommends canceling the agreement with Mr. Niemczyk and have Hailstone control the website. Chairman Thompson inquired about the price of the website. Ms. Calluori stated it would cost approximately \$1,400 for the year. She suggested Asset Manager be given access to upload the agendas to the website. The new website would be similar to the old website. Mr. Abodalo stated he would rather have the RRA own the website. Ms. Calluori stated that ReadingRedevelopmentAuthority.com is available. Mr. McMahon stated that there is a difference between owning and hosting a website. Ms. Calluori confirmed that the website build would take approximately seven hours and cost approximately \$800. Mr. Fleming asked to confirm what Mr. Niemczyk's fee was. Mr. Abodalo explained the fees was for hosting and the domain. Mr. Niemczyk will provide all passwords for the accounts once payment is received. Ms. Krishock stated another option is to do away with the website and use only a Facebook account. The problem is that not everyone has access to Facebook. Mr. Yarnell motioned to pay Mr. Niemczyk's invoice and Mr. Fleming seconded the motion. The motion passed unanimously.

Mr. Thompson mentioned terminating the website with Mr. Niemczyk and have something else. Mr. McMahon suggested everything from the current website be downloaded. Mr. Thompson suggested to have RRA host the website. The fee is strictly for hosting the website. Mr. Yarnell would like to have an agreement. Ms. Krishock suggested to pay the fee and contact Mr. Niemczyk to see what the terms of the agreement were. Mr. Thompson suggested to table the issue until we have more information and would like the information by August 23rd.

Mr. Miller mentioned that he would have to be removed as an authorized signature on the Customer's Bank account and that Mr. Thompson would need to be added. Mr. Abodalo and Mr. McMahon can sign the check for Mr. Niemczyk. Chairman Thompson and Mr. Abodalo will go to the bank to have the authorization done.

Ms. Krishock stated that the RRA and Reading Area Water Authority had a Memorandum of Understanding that would waive the water fees and liens. Ed Stock and Ms. Krishock tried to work it out, but the City of Reading needs to be involved for any recycling, trash and sewer fees. RAWA wants conditions for the new MOU. She was advised that RAWA board has approved the agreement but is still waiting to hear back. RRA would need to keep a list and provide a quarterly report to RAWA.

If RAWA waives any liens, they would satisfy the liens. They will only waive liens on residential properties, not commercial properties.

Executive Session at 7:10 p.m.

Regular Session at 8:05 p.m.

Mr. Thompson stated that he wants to address three things. First, that the RRA take no action on Mr. Mazzota's property at 105 Washington St. Mr. Miller made the motion. Motion passed unanimously.

Second, Mr. Thompson asked for a motion to relist 1404 Fairview St. for auction. Mr. Miller motioned. Motion passed with three yays and one nay.

Mr. Miller motioned to authorize Executive Director to obtain a HUD certified appraiser for 411 S. 3rd St. and 405 Carpenter St. and authorize any added expense. Mr. Yarnell seconded, and the motion passed unanimously. Mr. Thompson asked for a motion to table the agreement with the City of Reading, motioned passed unanimously.

Adjournment

There being no further business to be brought before the Board, a motion to adjourn the meeting was made, and all members were in favor.

Respectfully submitted by:

Asset Manager