

**MINUTES OF THE REDEVELOPMENT AUTHORITY OF
THE CITY OF READING HELD ON 15th OF SEPTEMBER 2022**

The Redevelopment Authority of the City of Reading held Virtual Regular meeting on Zoom computer application on 15th day of September 2022.

The meeting was called to order at 5:00 p.m. by Solicitor, Melissa Krishock, and on roll call, the following were present:

Mr. John H. Miller Jr.,	Chairman
Mr. Fred Thompson,	Vice-Chairman
Mr. Thomas McMahon,	Treasurer/Secretary

Absent:

Mr. Goslyn Fleming,	Member, excused
----------------------------	------------------------

Also present were:

Mr. Jamal Abodalo, Executive Director
Ms. Rafaela Lopez, Asset Manager
Ms. Melissa Krishock, Esq., Bingaman Hess
Ms. Shannon Calluori, Hailstone Economic, attended via Zoom
Tim Daley, Habitat for Humanity
Meghan Thompson, Herbein & Company, attended via Zoom
Chris Turtell, Herbein & Company, attended via Zoom

Consent Agenda Approval:

August minutes were not approved due to not being provided to the board.

Public Comment:

Mr. Daley spoke to the board about Habitat for Humanity purpose of remediating blighted properties. He asked the board if they are serious about tackling the blighted issue. Their focus is Douglas and 9th Street area due to new school being built. Their mission and RRA's can be achieved but by working together. There are 26 blighted properties in this area. They are happy to apply for CHDO if needed. Mr. McMahon asked what their three year schedule. Mr. Daley stated Habitat needs to look at process, such as eminent domain. They just bought property at West Buttonwood for \$120,000. It was appraised for a bit more. "Urban reinvestment isn't cheap but they have to look at the long term goals" said Mr. Daley. Mr. McMahon said money is there but can Habitat do this in the time frame given. Mr. Daley believes together they can achieve the goals. Mr. McMahon asked what does Habitat want from the RRA. Mr. Daley replied how RRA, as the City can contribute to the process with a formal or informal agreement and considers tonight a first step to the process.

15th September, 2022

Audit Report:

Ms. Thompson discussed 2021 Audit with the board with a PowerPoint they prepared. This year Herbien & Company didn't have unmodified opinion, which is good. They compared audits for 2020 and 2021. The audit for 2020 had more property sales than 2021. Audit for 2021 was the first year that management was contracted out. Legal fees have increased as well. They looked at internal controls and made suggestions, such as keeping track of what properties are appraised as and sale price. Mr. Turtell stated there have been new board members each year during the three years of auditing RRA. He is hoping next year he'll see familiar faces.

Approval of Bills Payable:

Mr. Thompson asked about the status of 301 S 3rd St. Mr. Abodalo informed the board of offer being given to the City. He also brought to the board's attention that the bills authorized were not paid. Since the board authorized to transfer \$120,000, it is not needed. We can have less money transferred. Chairman Miller asked for a motion to approve invoices of the amount of \$9,300.94. Mr. Thompson made the motion and Mr. McMahon seconded. Motion passed unanimously.

Ms. Krishock reached out to tax bureau and requested to have 1103 Spruce St removed from the tag Sale list but has not heard back. The amount currently owed does not include 2022 taxes. At the moment, a total of \$6,770.64 is owed of taxes. The property owes \$2,611.00 to the City for liens. RAWA is willing to work with us regarding the \$5,497 that is owed to them. At the moment we will have to pay a total of \$14,878 if nothing is forgiven. Mr. Thompson asked for a motion to authorize payment of oldest tax owed amount of \$2,399.49, in the event that the property isn't removed from the tag sale list. Mr. McMahon made the motion and Chairman Miller seconded. Motion passed unanimously.

Property Update

Mr. Abodalo informed the board of 212 S 8th St being cleaned by Public Works. Chairman Miller was at the property while it was being cleaned and found a dead body on the third floor. The property is unsecure and this was brought up during the last board meeting. He had an employee of his private business secure the first floor of the property.

Mr. Abodalo informed the board of him and Ms. Krishock reaching out to the City's legal department regarding them having 301 S 3rd St appraised. As of today appraiser has not been locked in. If the City doesn't follow through, the board will proceed with the eviction process. The board will wait for the six weeks that was given to the City to have the property appraised.

Chairman Miller stated 124 N 4th St rear needs to be secure and plan needs to be put in place to secure it. He proposed to have his private business secure the

properties. RRA would have to pay for material and he would store them. This would give RRA time to decide if they want a contractor to do it in the future. Ms. Krishock added that RRA is liable if something happens at one of their properties. Mr. Abodalo asked for a motion to discuss this matter further in executive session. Chairman Miller agreed but would like the public to know he will be addressing this issue. Mr. Thompson made the motion and Mr. McMahon seconded. Motion passed unanimously.

Chairman Miller invited everyone to attend a tour of the RRA owned properties. Property located at 301 S 3rd St will not be included in this tour due to agreement at the moment with the City. Tour will take place Wednesday, September 28th from 8:30am to Noon and begin at 301 Washington St.

Old Business

Ms. Calluori informed the board of Hailstone Economics' first step of their blight remediation plan being to interview people. She will be interviewing board members, city administration etc. Their goal is to develop a plan for their vision and RRA's goal.

New Business

Mr. Abodalo asked for a motion to table Spak's proposal for 301 Washington St and 124 N 4th St. He wants board to be comfortable in making a decision regarding Spak. Mr. McMahon made the motion and Mr. Thompson seconded. Motion passed unanimously.

Mr. Abodalo informed the board they have the option of going with CDBG funds or HOME funds. The money is available to use. He would like to add \$100,000 for the 2023 HOME Program. With CDBG it's easy to derail if prevailing wages aren't used. With 2022 and 2023 program we'll have close to 1 million and matching of funds is required. Mr. Thompson asked if the HOME application has to be property specific. Mr. Abodalo said at the moment it's not property specific. Chairman Miller asked for a motion to authorize Executive Director to apply for the HOME 2023 Program, Resolution 09-2023. Mr. McMahon made the motion and Mr. Thompson seconded. Motion passed unanimously.

Chairman Miller proposed workshops be held on October 6th, November 3rd and December 1st from 2pm to 4pm. Mr. Abodalo isn't available October 6th and suggested to meet on October 5th instead. He asked if everyone is needed at the workshops. Chairman Miller said board members, Mr. Abodalo and Ms. Lopez are expected to attend. Board agreed to meet on October 5th, November 3rd and December 1st from 2pm to 4pm.

Mr. Abodalo informed board Public Works shovels RRA properties and small lots, such as 638 & 640 Schuylkill Ave are left for the board to take care of. He

suggested having Hope Rescue Mission or Opportunity House to do the snow removal for them. Mr. Abodalo said they are less expensive than contractor but lack experience in dumping fees. They are good with cleaning properties. Board requested to have an updated property list sent to them. Chairman Miller asked for motion to work on a snow removal agreement for RRA properties. Mr. Thompson made the motion and Mr. McMahon seconded. Motion passed unanimously.

Executive session at 6:39pm

Regular session at 7:18pm

Chairman Miller withdrew his motion to participate in securing RRA owned properties. Board members were in agreement.

Chairman Miller asked for a motion to table 2023 budget. Mr. Thompson made the motion and Mr. McMahon seconded. Motion passed unanimously. Mr. Abodalo will share 2023 budget with the board.

Mr. Thompson asked for a motion to authorize \$7,500 of funding to secure RRA properties as needed throughout the end of 2022. Chairman Miller made the motion and Mr. McMahon seconded. Motion 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