

**Reading LRA
Meeting Report
Tuesday, July 26, 2011**

LRA Members Attending: V. Spencer, F. Acosta, S. Marmarou, E. Raphaelli, M. Ballas, P. Coles

Others attending: M. Goodman-Hinnershitz, L. Kelleher, C. Folk and J. Miravitch from Mary's Shelter

Mr. Spencer called the meeting to order at approximately 5:10 pm.

Ms. Kelleher provided background beginning with the Mary's Shelter and BWIC joint application to use the main facility. After BWIC withdrew, Reading Hospital expressed interest and the Reuse Plan was drafted defining a reuse by Reading Hospital for 6.09 acres and Mary's Shelter for 1 acre. Mary's Shelter was to get a one acre parcel at the back of the lot for a new facility. However, Reading Hospital withdrew around October 2010 for various reasons. After that Alvernia and Berks Catholic expressed interest but neither put in an application.

Around the beginning of the year the LRA asked Ms. Kelleher to once again explore potential taxable uses for the remaining 6.09 acres. Through a realtor contact a potential developer was identified. Mary's Shelter reevaluated their needs and requested that the LRA consider amending the current LBA (legally Binding Agreement) to allow them to relocate into the main facility instead of building a new facility on a one (1) acre lot at the rear of the property. When this possibility was broached with the developer he said that he would withdraw as he did not want to lose the frontage on Kenhorst Boulevard. When the possible change was discussed with the Navy, they too objected as the shift would leave the remaining 6.09 acres an unmarketable remnant.

Ms. Kelleher explained that if the property is sold, the Navy will have the property appraised to determine the fair market value of the property and then the property will be put out for public bid.

Ms. Kelleher stated that the LRA must now decide on approving or rejecting the amendment to the LBA.

Ms. Folk from Mary's Shelter explained that when she and some board members visited the site with Berks Catholic they began seeing the value in moving into the existing facility over building a new facility. She stated that the mechanicals are in excellent condition and that the building would need little renovation to suit their use. She added that as the utilities at the

facility are zoned, the part of the building not needed could be shut down until additional space is needed. She added that having the main facility would provide them with the ability to expand.

Ms. Kelleher stated that as the developer would not be ready to build for 5-8 years, he wanted Mary's Shelter to move into the main facility until he was ready to proceed. He offered to reimburse Mary's Shelter dollar for dollar for rehabbing the building and to make a contribution to the cost of building the new facility. Mr. Miravich noted that the developer was also seeking tax abatement for a 10 year period. Ms. Kelleher reminded everyone that City Council enacted the LERTA program (10 year tax abatement for commercial or residential projects) as an incentive for such projects.

Ms. Folk stated that Mary's Shelter was interested in taking over the entire parcel.

The LRA began discussing the options and inquiring about Mary's Shelter's ability to maintain the entire parcel. Ms. Folk stated that the cost to renovate the existing facility would be less than building a new facility. She stated that she has funding avenues available but cannot apply until they know which direction they are taking; building a new facility or renovating the existing main facility.

The LRA asked Mary's Shelter to provide cost estimates for the renovation of the existing facility. The LRA expressed strong interest in placing some type of ratable use on the remaining six (6) acres.

The LRA then discussed possible use applications for the parcel. While reviewing the parcel map, they noted the vacated street (Margaret Street) that runs through the property and suggested that a residential use be explored. Ms. Kelleher stated that when she originally started seeking developers when the LRA was first formed, she learned that the parcel was not large enough for a housing developer. Mr. Raphaelli noted that the days of cornfields turning into McMansions are over and he suggested that the LRA consider some type of innovative approach.

The LRA asked Ms. Kelleher to arrange a meeting with the Executive Director of the Redevelopment Authority for discussion on development opportunities. The LRA also asked Ms. Kelleher to obtain information on the timeline the Navy is using to dispose of the property. Ms. Kelleher stated that she will attempt to arrange the meeting within the next two (2) weeks.

The meeting adjourned at approximately 6:00 pm.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk

