

**MINUTES FROM THE REGULAR MONTHLY MEETING OF THE  
READING REDEVELOPMENT AUTHORITY OF THE CITY OF  
READING HELD ON 15<sup>th</sup> NOVEMBER 2017**

The Redevelopment Authority of the City of Reading held the regular Monthly Meeting at 815 Washington Street, Room 2-53 in the City of Reading, County of Berks, and Commonwealth of Pennsylvania, on 15<sup>th</sup> day of November, 2017.

The meeting was called to order at 3:02 p.m. by Mr. Luckey, Vice-Chairman and on roll call, the following were present:

Mr. Dan Luckey,	Vice-Chairman
Mr. James Radwanski,	Member
Mr. Melvyn Jacobson,	Member
Mr. Juan Zabala,	Member

**Absent:**

Mr. Chris Heinly,	Chairman
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**Also present were:**

Mr. Adam Mukerji, Executive Director  
Mr. Dennis Witwer, Executive Assistant  
Mr. Keith Money, Barley, Snyder

Upon roll call, Mr. Witwer declared a quorum.

The consent agenda was approved unanimously, with additions made to minutes as per Mr. Jacobson.

**Bookbindery Apartments:**

Mr. Mukerji asked the board members to refer to a memo that he sent them back on 5<sup>th</sup> September, 2017, which read:

To: RRA Board  
From: Adam Mukerji, Executive Director  
Date: 5 September 2017  
Subject: Bookbindery Apts

Dear Board Members:

As discussed and requested at the last Board meeting, listed below are the liens against the subject property in the order of their priority.

**The RRA holds the second mortgage.** The City holds the first, third and fourth mortgages.

The RRA bought out PHFA's first mortgage of \$166,425 resulting in the City's original second mortgage of \$175,000 moving into a first lien position.

As part of the purchase agreement between PHFA and the RRA we got an assignment of PHFA's second mortgage.

It is my opinion that it will be difficult to sell the property without the City expunging its liens! Asking City Council for forgiving the liens will be an extremely sensitive topic at this juncture!

As far as the municipal claim is concerned, I have negotiated a 24 month payback of the school district taxes that were outstanding prior to the RRA's acquisition of the property. We have sent our first payment of \$831.26 today. Keith Mooney and I appeared before the School Board several years ago to request forgiveness and our request was declined.

If you have any questions please call me.

Best regards

Adam

MORTGAGE: \$175,000.00 Bookbindery Associates TO The City of Reading, DATED December 21, 1990 AND RECORDED December 24, 1990 IN MORTGAGE BOOK 2184 PAGE 1187.

MORTGAGE: \$574,000.00 Bookbindery Associates TO Pennsylvania Housing Finance Agency, DATED December 21, 1990 AND RECORDED December 24, 1990 IN MORTGAGE BOOK 2184 PAGE 1194. (PHFA Regulatory Agreement recorded December 24, 1990 in Record Book 2184, page 1233.) (Assignment of Leases recorded December 24, 1990 in Record Book 2184, page 1248.) (Assignment of Agreements affecting Real Estate recorded December 24, 1990 in Record Book 2184, page 1258.)

**[Assigned to the Redevelopment Authority 10/28/2013 in Instrument # 2013045489](#)**

MORTGAGE: \$300,995.00 Bookbindery Associates TO The City of Reading, DATED December 21, 1990 AND RECORDED December 24, 1990 IN MORTGAGE BOOK 2184 PAGE 1217.

MORTGAGE: \$325,000.00 Bookbindery Associates TO The City of Reading, DATED December 21, 1990 AND RECORDED December 24, 1990 IN MORTGAGE BOOK 2184 PAGE 1225.

Municipal Claim: \$15,350.98 from Tax Claim Bureau of Berks County against Redevelopment Authority of the City of Reading in Docket 16-06704 for 2015 Real estate taxes.

**The board discussed in great length all options open to them for the sale of the complex.**

**Mr. Mukerji asked Mr. Witwer how much the apartments owed the authority for the loan which was taken out for the cooling tower. Mr. Witwer stated that there was \$24,472.07 still owed. He advised that Ms. Fizz had made \$25,000. in loan payments as of November.**

**Mr. Mooney and Mr. Mukerji explained to the board how the liens on the building came to be.**

**Mr. Radwanski stated that he would like Mr. Mukerji to discuss the matter with City Council to see if there could be a compromise reached regarding liens, which the City holds.**

**Mr. Radwanski made a motion to authorize the Executive Director to market and pursue any and all interests in the sale the Bookbindery Apartments for the amount of \$400,000. which includes first mortgage of \$175,000 and to simultaneously pursue extinguishment of the City liens**

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15<sup>th</sup> November 2017

from Mayor and City Council and execute any and all sales contracts for such sale.

Mr. Jacobson seconded the motion and all members were in favor.

#### 615-R Kenhorst Blvd.

Mr. Mukerji asked the board to make a motion allowing him to pursue developers for the old Naval Marine Center. He informed them that he has had some interest to purchase from a company that has made an offer to purchase, without conditions.

The board discussed the possibility of sale. Mr. Jacobson asked if there were any restrictions placed on the RRA when selling the property.

Mr. Mukerji stated that all terms have been met by the RRA and the US Government. There are no longer any restrictions.

Mr. Zabala made a motion for Mr. Mukerji to pursue any and all interests in the sale of 615-R Kenhorst Blvd. with a minimum sale price of \$400,000.00. and execute any and all sales contracts for such sale. Mr. Jacobson seconded the motion with all members in favor.

#### Reading skate park project

Mr. Mukerji updated the board on the progress of this project. He advised them that due to water mains that RAWA had, unbeknownst to him, placed underground on the land of the propose skate park and because RAWA will not move the mains to another location, placing the skate park on the land at 202 Water St, is not possible.

Mr. Mukerji proposed a solution to the dilemma. He would like to use Parcel 32 as the new site for the skate park. He asked the board for a motion allowing him to offer 601 Canal St. as an alternative location for the skate park.

Mr. Jacobson made a motion to allow the Executive Director to offer Parcel 32 as the future site of Reading Skate Park. Mr. Radwanski seconded the motion with all members in favor.

#### 900 Block Penn Street Properties

Mr. Mukerji updated the board on the pending sale of the properties on the 900 block of Penn St., (924-932 Penn Street and 927 Cherry Street). He advised that the city administration has requested that the RRA

**purchase 932 ½ Penn Street from the current owner. It is the administrations intent to purchase all of the properties owned by the RRA on this block and build a new firehouse to replace two old firehouses in the vicinity.**

**The agreed upon amount to purchase 932 ½ Penn Street is \$75,000.00 which the city will give to the RRA for the closing. The administration had also asked that the RRA demolish the two standing buildings, after which, the RRA will convey the empty lots to the City.**

**Mr. Jacobson asked what will become of the two old firehouses that will be closed. He suggested that if the city plans to close both firehouses, the Executive Director should negotiate the sale price for \$65,000 plus the conveyance of both firehouses to the RRA. He also stated that he wants the city to make its request for the sale in writing, so there is no misunderstanding in the future.**

**Mr. Luckey stated that a Phase I Environmental report would need to be conducted at both firehouses. Mr. Radwanski agreed.**

**Mr. Jacobson made a motion to authorize the Executive Director to enter into an agreement with the City for the conveyance of the properties owned by RRA in the 900 block of Penn Street, including the Cherry Street property, to the City for the amount of \$65,000 and the two firehouses, should they be closed, along with the purchase of 932 ½ Penn Street for the amount of \$75,000 which will be paid for by the City. Mr. Zabala seconded the motion and all members were in favor.**

**Before adjourning, Mr. Jacobson stated that he would like to see a new website be developed for the RRA. He stated that the current website is inadequate. Mr. Mukerji stated that the reason there are very few new updates, is because of the cost. The RRA currently doesn't have the funds to do upgrades to the current website. Mr. Jacobson said that he will scout for prices for a new web designer.**

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

**Respectfully submitted by:**

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**Executive Assistant**