

**MINUTES FROM THE MONTHLY MEETING OF THE READING REDEVELOPMENT  
AUTHORITY OF THE CITY OF READING HELD ON 20<sup>th</sup> JANUARY 2010**

The Redevelopment Authority of the City of Reading held its monthly meeting in the Redevelopment Authority Conference room of City Hall, 815 Washington Street, Reading, Berks County, Pennsylvania, on 20<sup>th</sup> January 2010.

The following members were present:

Mr. Dan Luckey	Member
Mr. Theo. Auman	Member
Mr. Geo. Viener	Member

Absent: Ms. Lauter and Mr. Coles

Adam Mukerji, Executive Director, Dennis Witwer, Executive Assistant, and Keith Mooney, Esq., was also present.

Noting that three members were in attendance for a quorum at 5:34 p.m., Mr. Mukerji called the meeting to order.

Minutes and Bills payable

The minutes were reviewed and were unanimously approved.

Mr. Witwer distributed the bills payable and the end of year (2009) financial report and after a brief overview both were approved.

SuperSuds

Mr. Mukerji advised the board that the SuperSuds deal is dead and the Mr. Mooney had sent a letter to Mr. Schwartz expressing the board's disappointment in losing the project. Mr. Mooney also returned the escrow money back to Mr. Schwartz, which was part of the contract. The board discussed the demise of this project. They were

very concerned about City Council's lack of information of the project. They all felt that City Council should have contacted the RRA to obtain more information before they voted on having a zoning appeal go before a district justice.

The board talked about ways to prevent something like this from happening again. Mr. Auman suggested that they board start looking into designating certain key areas in the City as "redevelopment areas". Mr. Mukerji agreed, adding that once an area is designating a "redevelopment area" the RRA has the zoning control and approval of that specific area. The board agreed that they would like to look farther into the process and start looking into moving forward with creating some new "redevelopment areas".

#### BPRC

Mr. Luckey stated that he was to attend a Blighted Property Review Committee meeting the following evening. Mr. Mukerji stated that there are some issues that must be ironed out before the RRA can agree to take ownership of any blighted properties. There has been little progress made with an acceptable contract. Mr. Mooney said that he would have to follow up with the City Solicitor regarding the contract. It is believed that there is \$125,000 of CDBG-R funds that has been set aside for this program to be giving to the RRA.

#### Hotel Parking Garage

The super structure of the garage has started to be built. The contractors are making great strides in raising the structure and the project should be completed by April 2010, at which time the Hotel will then begin breaking ground and construction should begin.

Build America Bonds, which is a non recourse bond, will be issued by the RRA and the RRA will be the owner of the Hotel. The Federal Government will become a partner in this project which will mean that 35% of the cost of the project will be paid by the Federal Government. The RRA will enter into an agreement with the Reading Parking Authority, the Hotel group and OCR to share revenues from the Hotel.

At this time Mr. Luckey had to leave the meeting.

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

The next regular monthly meeting of the Reading Redevelopment Authority will be held on Wednesday, 17<sup>th</sup> February 2010 at 5:30 p.m. in the Redevelopment Authority Conference Room 2-53, 815 Washington St., Reading, PA.

Respectfully submitted by:

  
Executive Assistant

MINUTES FROM THE MONTHLY MEETING OF THE READING REDEVELOPMENT  
AUTHORITY OF THE CITY OF READING HELD ON 24<sup>th</sup> FEBRUARY 2010

The Redevelopment Authority of the City of Reading held its monthly meeting in the Redevelopment Authority Conference room of City Hall, 815 Washington Street, Reading, Berks County, Pennsylvania, on 20<sup>th</sup> January 2010.

The following members were present:

Ms. Michele Lauter	Chairwoman
Mr. Dan Luckey	Member
Mr. Theo. Auman	Member
Mr. Geo. Viener	Member

Absent: Mr. Coles

Adam Mukerji, Executive Director, Dennis Witwer, Executive Assistant, Keith Mooney, Esq., Vaughn Spencer, City Council President, Daniel Wright, CD Specialist, Ken Pick, County of Berks, Linda Kelleher, City Clerk, Lee Olsen, Blight Property Review Boar Chairman, Maria Andino and Jose A. Peratta of 6<sup>th</sup> and Bingaman Church was also present.

Noting that four members were in attendance for a quorum at 5:33 p.m., the Chairwoman called the meeting to order.

Blight Property Review Committee

Mr. Mukerji introduced Mr. Lee Olsen, Chairman of the BPRC. Mr. Mukerji gave a brief run down of the two main issues that needed to be covered during the meeting. Firstly, he explained that in 2009 the BPRC had certified 12 properties as "blighted". He stated that the RRA, in its deliberations, had given him clear instructions that RRA would not take over any properties until which time there was a signed agreement between the City and the RRA or sufficient funds set aside so

that the RRA can discharge their responsibility for acquiring, maintaining and disposing the properties for their highest and best use as expeditiously as possible. The RRA does not want to become a "land bank". Secondly, Mr. Mukerji stated there is a great need for a maintenance agreement, because the RRA in no way wanted to have any problems with vacant properties or land as they had with the "Benner's Court" project.

Ms. Kelleher passed out a packet of paperwork which identified the blighter properties.

Mr. Olsen explained the series of steps and inspections which the BPRC must take in order to certify a property as blighted. He stated that these steps can take anywhere from 12 to 18 months to complete. Each property will be reviewed twice before it will be certified as blighted. He reiterated that the BPRC, in the year 2009, had certified 12 properties and 3 of those properties had already been torn down, per Mr. Steve Franco, because they were a health hazard to the community.

Mr. Olsen asked everyone to have a look at the handout and review the guide which the BPRC uses in declaring a property blighted. The committee gives each owner of the properties an opportunity to sign a rehabilitation agreement, stating that they will in fact do the best that they can to bring the property in a habitable condition. What the committee had found is that 9 times out of ten is that not only are the properties abandoned, they are delinquent in taxes, they are delinquent in utilities, they have been sighted by PMI of the City for trash, weeds, etc.

Mr. Olsen stated that it is the BPRC's understanding, based on the Ordinance that the property, upon the certificate of blight is determined; it gets turned over to the RRA for final disposition. He pointed out that there are two other steps that the Planning Commission takes while reviewing each property. The Planning Commission, at times must decide if the property is better suited as residential or commercial should the property be rehabbed. Once that has been determined, then the list is handed over to City Council to make the final determination. The BPRC, has had discussions regarding funds, once the final determination has been made and it would be time to turn the properties over to the RRA, where are the funds to take care of the properties while they are being appraised, title searches and other due

diligence are being taken care of. During this time period, the properties are still going to be sitting abandoned, collection trash and still creating code violations. When it comes time for disposition a property can either be demolished or it can be rehabbed.

If it has been determined that a property is stable enough to be rehabbed, the BPRC has identified three entities in the City of Reading, Our City Reading (OCR), Neighborhood Housing Services (NHS) and Habitat for Humanity, that can handle such rehabs. If there were to be a developer who would be interested in a particular property, then an agreement can be worked out with that specific developer.

Mr. Olsen assured the board that the BPRC would like nothing more than to have the funding in place as soon as possible so that the BPRC can move on to the properties in 2010. Since the 2009 process went so smoothly, the BPRC have decided to increase the amount of properties to about 25-50. There are about 1,200 properties that have been certified as being blight potential, in a 2007 survey.

Mr. Mukerji stated that he had a few questions, the first being that once the BPRC has gone through the various steps and finally had gotten the certification on the property, which is the final step for the BPRC, the properties are then to be given to the RRA so that they can start the eminent domain process. Is the RRA obliged to take all blight certified properties or will the RRA be able to determine which properties that they are interested in taking over? He stated that RRA does not wish to become a "land bank" for blighted properties. If in 2009 there are 12 properties and in 2010 another 50, the RRA, if obliged to take the properties will be left with 62 properties, not to mention any properties in the following years.

Ms. Kelleher stated that the best way to get answers to his question would be to contact the Allentown Redevelopment Authority. Mr. Mukerji agreed, stating that he had spoken to them on several occasions. He stated that his biggest concern is getting a working multi-year commitment and making sure that there are enough funds for all of these properties.

Mr. Mukerji also asked if the Planning Commission will be determining what they feel to be the highest and best use for the properties. It is understood that they will be determining if a

property would be better left as a residential or commercial property. This will allow the RRA to know what the end use of a property should be, otherwise the RRA ends up looking like a real estate holding company awaiting for a developer to come along and make a bid so that something can be done with it.

Mr. Luckey stated that there are a few other issues that go along with holding the properties. He told Mr. Mukerji that he (Mr. Mukerji) must get a list of the properties that the BPRC is working on and market them. Part of Mr. Mukerji's job should be to try and market the properties for something in the future; this should be something that is happening right away and then work on getting the agreements in hand.

Mr. Luckey reminded everyone that he sits on the BPRC as the representative of the RRA. He stated that the RRA needs to be doing something now to get the process moving. He stated that there are already three properties which are in the land repository which are slated to be demolished. These three properties are properties that the RRA should take, but there also needs to be an agreement for funding, nothing can be accomplished until that is executed. He mentioned that the City and RRA's solicitor's will be meeting in the next few days to work on the agreements.

Mr. Luckey pointed out that there is a lot of work that needs to be accomplished on the RRA's side of this project and that the RRA simply doesn't have the staff or the funds to carry out all of the duties. He asked Mr. Mooney if the blighted designation on a property lasts for 10 years.

Mr. Mooney answered affirmatively, stating that as long as the property owner does not make any attempts to rehab the property, the designation will last 10 years.

Mr. Mukerji asked Mr. Luckey how the RRA is supposed to start marketing properties that they do not hold title too. In order to get title of a property the RRA must go through the eminent domain process.

Mr. Luckey stated that Mr. Mukerji should take a look at the list of properties and try to determine what would look attractive to developers.

Mr. Mukerji said that he understood what Mr. Luckey was saying, but still as a legal stand point, how could he market a property that the RRA does not own?

Mr. Mooney asked Mr. Olsen how far in the process has the BPRC gotten with the first 12 properties.

Mr. Olsen stated that all 12 properties have been designated blighted. At this point, the BPRC's part of the process is finished as far as the first 12 properties are concerned.

Mr. Luckey stated that all the properties are abandoned.

Mr. Mooney explained, briefly, the condemnation law and what recourses the property owners could take.

Ms. Kelleher reminded everyone that Mr. Marty Mayes, the previous CD Director, had set aside \$178,000 for the first 12 properties.

Mr. Wright stated that he believed that there is 125,000 set aside from CDBG-R and \$75,000 from CDBG.

Mr. Mukerji agreed however stated that he was told by another CD staff member that \$60,000 of the \$75,000 had already been used for demolition.

Mr. Olsen stated that one of the most important things that must happen with the blighted properties is finding an end use for them. This will prevent land banking.

Mr. Mukerji agreed. He said that the sooner there are agreements, the sooner the process on the RRA's side can begin and the properties can be sold off or rehabbed.

Mr. Olsen pointed out that in the Ordinance it does not strictly limit to residential properties, commercial properties can be considered for the blight process. He also stated that there are three major issues at hand, the first being the agreements between the City of Reading and the RRA, secondly the money must be set aside for a long duration to insure that money will always be available and a staffer person needs to be hired to assist the BPRC, RRA and also to help Steve

Franco with reviewing the properties that need to be determined appropriate for demolition. Once these issues are taken care of, the process should be smooth.

Mr. Mukerji agreed. He introduced Mr. Ken Pick from the county's Redevelopment Authority. He stated that Mr. Pick uses monies other than CDBG. The county has transfer monies or Act 137 money.

Mr. Pick explained his A.D.D. program. He stated that the county is very willing and enthusiastic in helping the City with the A.D.D. program for years. The program has taken about 200 properties for the City. The one thing that many people don't realize and don't take into consideration is the cost of maintaining one property. To maintain just one property can cost anywhere up \$2,500 a month. This is a cost that is sometimes forgotten and is a big expense. CDBG funds can not be used for maintenance and upkeep of properties.

Ms. Lauter pointed out that another issue that will have to be looked into when determining the best use for the properties is the zoning. With resent issues of projects and zoning, she stated that she did not want to come in to problems in the middle of a project which could bring the project to a halt.

Mr. Auman agreed, stated that everyone needs to focus on what the final outcome will be, the RRA is not the "Resale Authority". Is there a specific plan in placed for all of the properties? What is the final vision once all these properties have been declared "blighted" ?

Mr. Luckey stated that at this point the BPRC is concentrating in the GoggleWorks area and the Buttonwood Gateway area of the City as these have been the center of redevelopment for a few years.

Mr. Auman said that the RRA's vision is to create long term value by creating communities. That can not happen by just buying a row home here and there and conglomerating this without some sort of end vision.

Ms. Kelleher stated that Harrisburg did that very thing with Strawberry Square. They took an entire blighted neighborhood and brought it back and turned it into a nice community. She also stated that the eminent domain process takes about 18 months to complete.

Mr. Mooney and Ms. Kelleher discussed the BPRC' s timeline and how far into the timeline they were. Mr. Mooney pointed out that there were items on the list the stated the RRA is to take care of, but they have not been asked to do any of those items. Ms. Kelleher stated that staff members in the City Clerk' s office have taken care of the clerical work.

Before closing, Mr. Wright asked if there were any items that could be hammered out now. He would like to see a time line as to when the lawyers could have the agreements ready to be executed.

Mr. Mooney stated that he and Ms. Michelle Mayfield would be meeting soon to hammer out an agreement.

#### 6<sup>th</sup> and Bingaman Parking Lot

Ms. Maria Andino and Rev. Jose A. Peratta were introduced to the board. They had been before the board approximately 2 years ago regarding the rental of the parking lot at 6<sup>th</sup> and Bingaman Street for a church that Rev. Peratta owns. This parking lot is now rented by Rev. Acosta per a RRA agreement that was signed in July of 2009.

Mr. Mukerji updated the board on their behalf. Ms. Andino and Rev. Peratta had already approached Rev. Acosta asking him if their parishioners could share the lot. Rev. Acosta' s church members and Rev. Peratta' s church members congregate on two separate days, so there would be no issue with parking for either church. After they spoke Rev. Acosta had advised that they should come before the RRA board to ask about a sub lease.

The board was also reminded of the matter of zoning for Rev. Peratta' s church. They have been unable to obtain a zoning permit due to the fact that they do not have permanent off street parking and in order to obtain a zoning permit, they would have to have a 99 year lease for the parking lot. The RRA would not be able to guarantee a 99 year lease.

Mr. Mooney advised that if they were to enter into a sub lease with Rev. Acosta, the agreement would have to be modified to specify which days each church could park on the lot. He also pointed out that Rev. Acosta has a month to month lease which would not satisfy the

zoning matter, as they would need a 99 year lease to obtain the zoning permit.

The matter of insuring the parking lot was also discussed. Currently Rev. Acosta is carrying the insurance per his lease agreement. It would have to be discussed with Rev. Acosta how he would want to handle that matter if he were to enter into a sub lease agreement with the other church.

#### Minutes and Bills payable

The minutes were reviewed and were unanimously approved.

Mr. Witwer distributed the bills payable and financial report and after a brief overview both were approved.

Mr. Mukerji told the board that he wants to look into other insurance possibilities. For two employees, there are no insurance discounts. He would like Mr. Mooney to look into getting the RRA back into the City's insurance plan. Mr. Mooney stated that he could also look into the County's insurance plan as they have their own consortium. He stated that he would look into this as he could not be sure if they would allow an authority to partake in their consortium.

Council President Spencer stated that he too would look into this matter as he could not understand why the RRA employees would have been removed for the City's insurance program when the City pays for the Water Authority's employees insurance.

Mr. Mukerji presented to the Board a renewal contract for CIDC, the consultant whom the City and the RRA uses for all of their HUD 108's and other grant and bond applications. He gave a brief history of the relationship between the entities. The board approved the new 2010 contract and the Chairwoman signed on behalf of the RRA.

Mr. Mukerji gave an update on the Build America Bonds (BAB). He stated that things are going very well and that soon he'll be able to market the bonds.

The Chairwoman stated that she would like to discuss the matter of SuperSuds again. She stated that this issue is rather disturbing to her and felt that the matter must be taken up with Council again.

Mr. Mukerji agreed. He stated that not enough has been said regarding this matter. He has had conversations with other RRA members and they all feel that a meeting with the City Council should be had. The RRA does not understand why City Council would have filed a petition in Common Plea's Court to overturn the Zoning Hearing Board's decision.

Council President Spencer explained to the RRA what had taken place to lead City Council to its decision. He told the board that he himself went to that Zoning Hearing Board meeting and spoke in favor of the SuperSuds project. He advised the board the Mr. Andrew Miller, the City's planner, sent out correspondence to the council members questioning whether or not this should have been granted a variance. He told the board the he did not support City Council's decision but as President he had to sign off on the order.

Chairwoman Lauter stated that now once again we are still sitting, holding this parcel of land after they worked hard to reach a deal with the owners of SuperSuds, which would have brought in tax revenue to the city and employed several people from the neighbor.

President Spencer advised the board the he felt it would be a good idea for RRA to approach council to discuss this in more depth.

Mr. Auman asked why Council didn't table the matter and reach out to the RRA to get more accurate information on the project rather than taking the word of Mr. Miller and making a snap decision.

President Spencer stated that the issue was that Mr. Miller had waited until the very last possible minute to go before Council on the matter because there are 30 days to appeal a decision and that date was getting ready to expire, which is why council voted on it so quickly.

Chairwoman Lauter stated that she felt that someone should have come to Mr. Mukerji or the RRA members and discussed this matter before it went to council or before council voted. The RRA and City Council should always be on the same page when it comes to City projects,

especially projects that will bring in revenue to the city. The two entities should always have an understanding of what the intentions are of one another. Someone dropped the ball on this matter and it should not happen again. She suggestion that the RRA looking into declaring this area of 6<sup>th</sup> and Bingaman and perhaps a few other areas in the City, Redevelopment Area' s. This way the RRA would have control over the zoning.

Mr. Mukerji agreed, stating that if the RRA had control over the zoning and already had it in place, this kind of issue would not occur again.

#### Hotel/Garage Environmental Cleanup Update

Mr. Mukerji stated that the Reading Parking Authority had submitted the final bills for the clean up at the parking garage site. The approximate amount of the bills came to \$65,000.00 which he felt was very reasonable after all the work that needed to be done.

Mr. Viener made a motion to approve the bills from RPA which was moved by Mr. Auman. All members were in favor.

#### Hotel Developer' s Agreement

Mr. Mooney informed the board that he had received the agreement and gave it a review and submitted comments on the agreement. He stated that there are a few items lacking. There are a few key items that need to be changed. At this time there was no action needed to be taken by the board. He also explained that the RRA will own the land and the hotel and lease it to a developer.

Mr. Mukerji explained to the board that there will be no liability once the hotel is built. The bond holders who hold the BAB' s will be assuming the total liability. The way he has structured the hotel financing is that it has to succeed. All the sales taxes that will be generated from the hotel will all be given back over a 20 year time span. A conservative estimate would be around \$600,000 a year.

Mr. Mooney stated that he could send out the draft agreement if anyone wished to see it, noting however that it is still being worked on and is only a draft.

Mr. Mukerji gave a very brief updated on the SBA program. He informed the board that he had closed on the Keystone Software project in Centre Park.

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

The next regular monthly meeting of the Reading Redevelopment Authority will be held on Wednesday, 17<sup>th</sup> March 2010 at 5:30 p.m. in the Redevelopment Authority Conference Room 2-53, 815 Washington St., Reading, PA.

Respectfully submitted by:

  
Executive Assistant

**MINUTES FROM THE MONTHLY MEETING OF THE READING REDEVELOPMENT  
AUTHORITY OF THE CITY OF READING HELD ON 17<sup>th</sup> MARCH 2010**

The Redevelopment Authority of the City of Reading held its monthly meeting in the Redevelopment Authority Conference room of City Hall, 815 Washington Street, Reading, Berks County, Pennsylvania, on 17<sup>th</sup> March 2010.

The following members were present:

Ms. Michele Lauter	Chairwoman
Mr. Dan Luckey	Member
Mr. Geo. Viener	Member

Absent: Mr. Coles, Mr. Auman

Adam Mukerji, Executive Director, Dennis Witwer, Executive Assistant, Tim Dietrick, Esq., and Mike Setley and Doug Rauch of SR&B were also present.

Noting that three members were in attendance for a quorum at 5:33 p.m., the Chairwoman called the meeting to order.

Opportunity House

Mr. Mukerji introduced Mr. Mike Setley and Mr. Doug Rauch who went before the board to present the Opportunity House projects that they are apart of.

Mr. Setley handed out a description of the project. He stated that Opportunity House plans to expand their Community Child Care Program which will specifically focus on computer technology for children.

He stated that they currently have bids out to banks to find the best loan rates, to help finance the project. The reason why he is

asking the RRA to be involved is so that the project can finance on a tax free basis. Although Opportunity House is a charitable non-profit who is entitled to the benefit of tax free financing under the IRS note, the note must be issued on their behalf by a governmental entity, which is where the RRA comes into play. There would be no financial obligation to the RRA; they would strictly be acting as a conduit.

Mr. Mukerji asked if this would be a bank qualified note and to that Mr. Setley responded affirmatively. He stated that it would be a five year note. The loan should be paid back before the five years by community pledges which are currently being raised.

Mr. Rauch had prepared and presented a resolution for the board to approve. (Res. 01-2010) This resolution would allow the RRA to hold a legal T.E.F.R.A hearing among other things. Mr. Rauch's office would be sending out an e-mail to Mr. Witwer with the legal notice which will need to be published in the local paper to advertise the hearing.

Resolution 01-2010 was moved by Mr. Luckey and seconded by Mr. Viener. All members approved.

Mr. Mukerji asked Mr. Rauch if he could update the board on the Berks Women In Crisis project. Mr. Rauch explained that B.W.I.C. had planned to purchase the former Garden State Tanning property and build a new facility there. There is currently no time-line for the project. There is an on going capital campaign for the project.

#### Minutes and Bills payable

The minutes were reviewed and were unanimously approved.

Mr. Witwer distributed the bills payable and financial report and after a brief overview both were approved.

Mr. Luckey asked if the RRA will be charging Opportunity House and B.W.I.C. for the services that they will be providing. Mr. Mukerji stated that he will be charging a fee. For the Opportunity House the RRA will give a donation of \$5,000.00 which will come out of the fee that he will charge.

City' s Farmers' Market (824-842 Penn Street)

Mr. Mukerji told the board that the Mayor is very interested in having a Farmers' Market on a RRA owner parcel of landed located at 824-842 Penn Street. A few letters, Memo' s and a project description was distributed to the board for their review. In the packet was a press release which had already been in the papers advertising the Farmers' Market which is to be held once a week during the months of May thru October.

Mr. Mukerji stated that having a market at this location is not as simple as some might think. Because this is an RRA owned property, the RRA would be liable for many things. Some of the issues that the board will need to look into and discuss with the City are the matter of insurance and maintenance for example.

Mr. Dietrich stated that it' s not just a matter of liability insurance but because of the type of items that will be sold at the Market, the RRA' s insurance company might insist on "completed operations insurance" .

Mr. Mukerji told the board that a MEMO was issued by the Mayor to some of the departments who issue permits, directing them to waive permit fees, except for the health permits.

Another issue at this location is curb-cuts. There are no curb-cuts on this block for cars or trucks to drive on and gain access to the sidewalk. Mr. Mukerji does not want to be held responsible for any damages done to the properties, sidewalks or curbs during the time of markets.

Mr. Luckey stated that West Reading has a Farmers' Market in the summer so the RRA should support this project.

Mr. Mukerji again stated that there are still several things that the RRA must look into to protect the RRA before blindly agreeing to the project. He mentioned the parking issue. He reminded the board of Rev. McCracken and his church asking for parking at this location and the board asked for \$100.00 monthly rent which the church could not afford. Since the market is to pay no parking fees, he does not want this to reflect badly on the RRA. He stated that he wants to support

this effort for a market, but believes many issues must be resolved before entering into any agreements.

Mr. Luckey felt that the RRA should participate in anyway that they can.

Chairwoman Lauter stated that in regards to the parking and loading and unloading of products, the participants could use the parking lot to load and unload their goods, however they would need to find metered parking elsewhere.

Mr. Mukerji produced a MEMO from the Zoning Administrator Jennifer Oehler which addressed some issues. He stated that he would recommend giving approval to the Farmers' Market subject to meeting the conditions of the City's Zoning Administrator's MEMO dated 17<sup>th</sup> March 2010 and also meeting the requirements of the insurance needs as very distinctly put by Council to cover any liability of food related illnesses.

Mr. Luckey stated that someone should contact the West Reading Farmers' Market to find out how they run their market.

Mr. Viener stated that this project proposal was happening too fast. He stated that he for one has far too many questions that need to be answered before he would even consider voting to approve the project. He asked why there should be no permit or vendor fees or rent payments. He also asked who was in charge of the market, who was to determine how much space each vendor would be given, who of authority would be on location to be sure that there were no vendors there who should not be, who will be taking care of clean up, will these vendors be taking away business from local stores and businesses. The Chairwoman agreed with all of the questions Mr. Viener brought forth. She too had the same questions.

The Chairwoman stated that she did not want hotdog vendors; vendor's who might be selling knick-knacks or "yard sale" items. She stated that she would want this to be strictly farmers who sell fresh produce, dairy and baked goods, etc. There would have to be definitions as to what could and could not be sold.

Mr. Mukerji stated that he had not been to any meetings regarding this project. He had not had any opportunity to negotiate anything.

The board members stated that they all like the concept, but Mr. Viener said that at this time he could not vote to approve it, Ms. Lauter stated that she would need more time and needed to speak to a few people regarding the project and Mr. Luckey asked Mr. Mukerji to speak with Mr. Frank Denbowski, who is working on the project for the Mayor and negotiate a few key points of concern.

The subject of having the Farmer's Market in City Park came up. It's a City owned property, perhaps this would be more ideal for the market.

Mr. Dietrich asked who the RRA would enter into the agreement with. There did not seem to be anyone who would be in charge of the project. Would the City be in charge or would the Berks Agricultural Resource Network be running the project? He stated that it would be easier if this was a City ran project.

This matter was tabled until a later date. The board stated that if a special meeting is needed, they would schedule one.

#### Hotel/Garage Update

Mr. Mukerji gave a brief update on the progress of the Garage and Hotel project. He advised the board that he and the solicitors are busy working on a Developers Management Agreement. He stated that the Hotel must be owned by the RRA to use the Build America Bonds (B.A.B.). The RRA will enter into a contract with another entity such as O.C.R. or Reading Luxury Hotel LLC to build the hotel. There will then be a separate agreement to have a professional management company to run the hotel.

All leases and agreements for this project must be worded very carefully so that the RRA in no way is left holding the bag for the Hotel. The RRA is strictly acting as a conduit for the project to be completed.

Mr. Dietrich explained that the B.A.B. is a taxable bond. These are not a traditional tax free bond. The US State Treasury writes a 35% check for interest debt service.

Mr. Mukerji stated that everything generated from the hotel is sales taxable. All the sales tax generated will be given back by the State for 20 years. He also stated that the hotel will create about 120-130 jobs. The hotel is in a KOZ. The company that runs the Sovereign Center, SMG is very excited about this project being completed. The hotel should be in the ground by July or August.

Blight Property Review Committee

The board reviewed a draft of a BPRC agreement which was prepared by Mr. Keith Mooney.

There were still concerns about cost and maintenance issues. The RRA can not afford to own and maintain properties until a decision is made as to what to do with the properties.

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

The next regular monthly meeting of the Reading Redevelopment Authority will be held on Wednesday, 19<sup>th</sup> May 2010 at 5:30 p.m. in the Redevelopment Authority Conference Room 2-53, 815 Washington St., Reading, PA.

Respectfully submitted by:

  
Executive Assistant

**NO RRA MEETING HELD IN APRIL**

**MINUTES FROM THE MONTHLY MEETING OF THE READING REDEVELOPMENT  
AUTHORITY OF THE CITY OF READING HELD ON 19<sup>th</sup> MAY 2010**

The Redevelopment Authority of the City of Reading held its monthly meeting in the Redevelopment Authority Conference room of City Hall, 815 Washington Street, Reading, Berks County, Pennsylvania, on 19<sup>th</sup> May 2010.

The following members were present:

Ms. Michele Lauter	Chairwoman
Mr. Philip Coles	Vice Chairman
Mr. Dan Luckey	Member
Mr. Theo. Auman	Member
Mr. Geo. Viener	Member

Absent: None

Adam Mukerji, Executive Director, Dennis Witwer, Executive Assistant, Keith Mooney, Esq., and Frank Denbowski, City of Reading Chief of Staff was also present.

Noting that all members were in attendance for a quorum at 5:33 p.m., the Chairwoman called the meeting to order.

City' s Farmers' Market (824-842 Penn Street)

Mr. Frank Denbowski appeared before the board to address some of the key points to the new Downtown Farmers Market. He gave a brief overview of the project. He explained that the City had a farmers market last year at a different location, near Opportunity House. This location was not ideal. As discussed in the May meeting, the Mayor had suggested moving the farmers market to Market Square at 8<sup>th</sup> and Penn Streets due to the fact that this area is a high visible location with plenty of foot traffic and located close to elderly living.

Mr. Denbowski handed out the application package which each vender must fill out. He explained that the City would be co-applicant with B. A. R. N. S.

Mr. Mukerji stated that there will be no prepared foods at the market. The main staples of the market will be produce and dairy items from local farms.

Mr. Denbowski stated that everyone involved in the project is very enthusiastic to get started. He also stated that all of City Councils concerns had been taken care of. He stated that there will be no fee's waived for vendors as B.A.R.N.S. will be apply for all health permits. Food venders will have to provide themselves with insurance or they will not be allowed to participate. The City will purchase special liability insurance as well so that the RRA will not have to and they will be an additional insurer.

The market will run every Friday from June until October between the hours of 11 a.m. - 6 p.m.

Mr. Mooney stated that he felt that Mr. Denbowski covered all of his legal concerns.

Mr. Viener made a motion allowing The City of Reading and B.A.R.N.S. to use the RRA land located at Market Plaza on Penn Street contingent upon the City's insurance coverage on said property. Mr. Coles seconded the motion and all were in favor.

#### Minutes and Bills payable

The minutes were reviewed and were unanimously approved with minor corrections.

Mr. Witwer distributed the bills payable and financial report and after a brief overview both were approved.

Mr. Mukerji pointed out the charitable donation of \$5,000 to Opportunity House.

There was a brief discussion regarding how Blight Properties would be funded once RRA acquired.

## F.A.B. Financials

Mr. Mukerji handed out old financial statements that had been shared with him by the City's Auditor. He explained what the financial statements showed. He pointed out that as long as he has work for the RRA. He had never seen a financial statement for the Fine Art Board money.

Mr. Witwer and Mr. Mukerji had met several times with members of the City's staff regarding where the F.A.B. money's are located. This had been a matter of concern for some time.

The reports and statements showed that the City's account department had moved the F.A.B. money a few times without the consent or knowledge of the RRA.

The Mayor is looking for this money to use as a financial match for a N.E.A. Grant. About a year and a half ago, the RRA board had agreed to leave the F.A.B. money with the City so that the Mayor could use the money for City Art projects.

As far as the RRA was concerned this was no longer a RRA matter. The board had never received any F.A.B. money's once they gained control of their own financial accounts. The City's finance department would have to find where or how the money was spent.

Mr. Mukerji and Mr. Mooney gave a brief history of the relationship between the RRA and the Finance department.

## Berks Women In Crisis

Mr. Mooney explained to the board that the RRA will be helping with a Bond for B.W.I.C. This will be set up the same way the Bond was set up for Opportunity House.

A motion was made to approve the inducement resolution which will allow for the different financial planners to start the process to silicate and fund the project by Mr. Luckey and was seconded by Mr. Viener. (Res. 2-2010)

Mr. Luckey made a motion to approve repayment of the Bond and Mr. Auman seconded the motion. (Res. 3-2010)

Executive Session

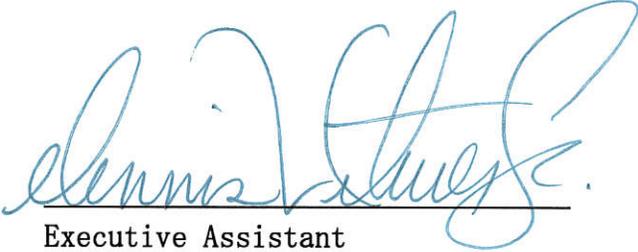
At this time the board adjourned from its regular meeting and entered into an Executive Session.

A motion was made to approve a 5% raise for Mr. Witwer by Mr. Coles and seconded by Mr. Viener and was unanimously approve.

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

The next regular monthly meeting of the Reading Redevelopment Authority will be held on Wednesday, 16<sup>th</sup> June 2010 at 5:30 p.m. in the Redevelopment Authority Conference Room 2-53, 815 Washington St., Reading, PA.

Respectfully submitted by:

  
Executive Assistant

MINUTES FROM THE MONTHLY MEETING OF THE READING REDEVELOPMENT  
AUTHORITY OF THE CITY OF READING HELD ON 16<sup>th</sup> JUNE 2010

The Redevelopment Authority of the City of Reading held its monthly meeting in the Redevelopment Authority Conference room of City Hall, 815 Washington Street, Reading, Berks County, Pennsylvania, on 16<sup>th</sup> June 2010.

The following members were present:

Ms. Michele Lauter	Chairwoman
Mr. Philip Coles	Vice Chairman
Mr. Dan Luckey	Member
Mr. Theo. Auman	Member

Absent: Mr. Geo. Viener

Adam Mukerji, Executive Director, Dennis Witwer, Executive Assistant, Keith Mooney, Esq., and Daniel Desmond of Barley Snyder and David Kostival from the Reading Eagle were also present.

Noting that four members were in attendance for a quorum at 5:33 p.m., the Chairwoman called the meeting to order.

Minutes and Bills payable

The minutes were reviewed and were unanimously approved.

Mr. Witwer distributed the bills payable and financial report and after a brief overview both were approved.

Berks Women In Crisis

Mr. Mooney informed the board that BWIC will be going to closing for the Bond on 17<sup>th</sup> June. The RRA will be charging \$10,000 for their

Bond services and will donate half of that amount back to BWIC as a charitable donation to the project.

#### Market House clean up/Fence repair

Mr. Mukerji advised the board that he had met with Mrs. Heather Hannah who is a member of the neighborhood group for the area in which the Market house is located. He told the board that she had organized a clean up with the Berks Christian Academy a few weeks back and removed weeds and debris from the site. During his meeting she told him that the temporary fence had been destroyed by kids in the area. It was Mr. Mukerji's recommendation that a permanent fence and gate be installed to protect the property. He had also asked if it would be alright with the board if this neighborhood group were to create temporary garden boxes that the neighbors could tend to and plant flowers.

The board agreed that a fence should be put up around the two parcels of land which is down in this neighborhood and liked the idea of temporary gardens. Mr. Witwer was asked to call a few fence companies to get estimates.

Mr. Mukerji also informed the board that he has contacted Mr. Gareth Donley and asked him to deliver some dirt to the location so that an opening in the ground which leads to an underground store room could be filled in.

#### Acosta Ministries

Mr. Mooney advised the board that he had sent a Termination of Lease letter to Councilman Rev. Acosta this week. The RRA has been trying to get in contact with Rev. Acosta regarding the delinquency his church is in with rent.

Mr. Mukerji state that he had talked to Rev. Acosta once or twice, but nothing had been done to take care of the back rent and the lapse of insurance.

The board had decided to have their solicitor send an official notice demanding rent be paid in full which is in the amount of \$1,350.00 as of June 1<sup>st</sup>.

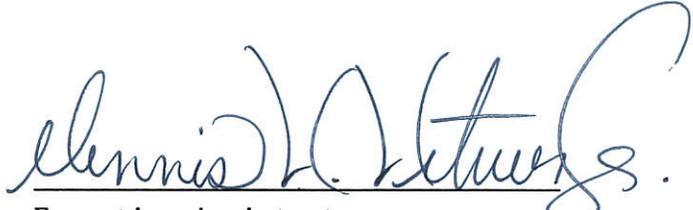
Executive Session

The board passed a pay increase for the Executive Director, Adam Mukerji of 5% and a 15% pension match.

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

The next regular monthly meeting of the Reading Redevelopment Authority will be held on Wednesday, 21<sup>th</sup> July 2010 at 5:30 p.m. in the Redevelopment Authority Conference Room 2-53, 815 Washington St., Reading, PA.

Respectfully submitted by:

  
Executive Assistant

**MINUTES FROM A SPECIAL MEETING OF THE READING REDEVELOPMENT  
AUTHORITY OF THE CITY OF READING HELD ON 26<sup>th</sup> AUGUST 2010**

The Redevelopment Authority of the City of Reading held a Special meeting in the Redevelopment Authority Conference room of City Hall, 815 Washington Street, Reading, Berks County, Pennsylvania, on 26<sup>th</sup> August 2010.

The following members were present via conference call:

Ms. Michele Lauter	Chairwoman
Mr. Philip Coles	Vice Chairman
Mr. Dan Luckey	Member

Absent: Mr. Geo. Viener, Mr. Theo. Auman

Adam Mukerji, Executive Director, Dennis Witwer, Executive Assistant, Keith Mooney, Esq., of Barley Snyder were also present.

Noting that three members were in attendance for a quorum at 11:07 a.m., the Chairwoman called the meeting to order.

CONVENTION HOTEL IFIP

Mr. Mukerji asked all the members present if they had received a copy of the Resolution sent to the via e-mail, regarding the IFIP Grant which would be used to help assist with the Hotel construction costs. All the members confirmed that they had seen the resolution.

Mr. Mukerji told the board that he had been working with Delta Development Group on the grant and he was seeking the boards approve to move forward with it's submission to DCED. He explained that IFIP funding will be utilized towards the costs associated with the construction of the hotel, including site work and vertical construction. He also explained how the tax benefits will work with

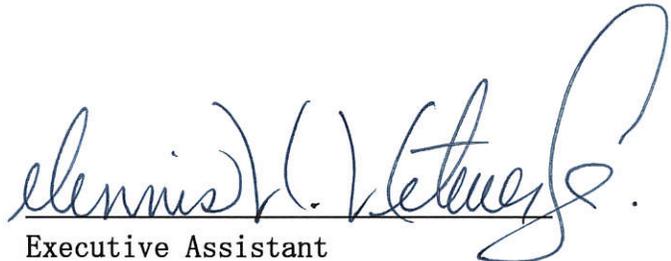
the hotel and that taxes generated thru the state will go right back into the Hotel.

Resolution 4-2010 was set before the authority which would authorize submission of a request to the Pennsylvania DCED for an IFIP Grant. The resolution also authorizes Mr. Mukerji to execute any and all documents and agreements between the RRA and DCED. Mr. Luckey made a motion to approve the resolution which was seconded by Mr. Coles. It was unanimously approved.

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

The next regular monthly meeting of the Reading Redevelopment Authority will be held on Wednesday, 15<sup>th</sup> September 2010 at 5:30 p.m. in the Redevelopment Authority Conference Room 2-53, 815 Washington St., Reading, PA.

Respectfully submitted by:

  
Executive Assistant

**MINUTES FROM THE REGULAR MONTHLY MEETING OF THE READING  
REDEVELOPMENT AUTHORITY OF THE CITY OF READING HELD ON 15<sup>th</sup>  
SEPTEMBER 2010**

The Redevelopment Authority of the City of Reading held a Special meeting in the Redevelopment Authority Conference room of City Hall, 815 Washington Street, Reading, Berks County, Pennsylvania, on 15<sup>th</sup> September 2010.

The following members were present via conference call:

Mr. Theo. Auman	Member
Mr. Geo. Viener	Member
Mr. Dan Luckey	Member

Absent: Chairwoman Lauter, Mr. Philip Coles

Adam Mukerji, Executive Director, Dennis Witwer, Executive Assistant, Troy Rider, Esq., of Barley Snyder and Mr. Carl Taylor were also present.

Noting that three members were in attendance for a quorum at 5:35 p.m., Mr. Luckey called the meeting to order.

Minutes and Bills payable

The minutes were reviewed and were unanimously approved.

Mr. Witwer distributed the bills payable and financial report and after a brief overview both were approved.

Market House - 6<sup>th</sup> & Bingaman Streets

Mr. Carl Taylor came before the board to acquire more information regarding the property at 6<sup>th</sup> & Bingaman. He advised the board that he

and an associate would be very much interested in purchasing the large property to build a funeral home. He stated that he had already spoken to the zoning department and was planning to meet with a representative from the HARB to see if there would be any ordinance issues with having a funeral home in this section of town.

He asked the board how much they would be asking for the property. Mr. Mukerji told Mr. Taylor that the RRA had originally sold the land for the purpose of a Laundromat and it was sold for \$240,000. He also explained the history of that project and why it had been canceled. Mr. Mukerji pulled the appraisals for the land and noted that the appraisals were dated the summer of 2008 at which time was appraised at \$122,000.

The board asked several questions of Mr. Taylor; how many jobs would be created; would there be off street parking and so on and so fourth. Mr. Taylor stated that the business would create about 6 jobs and would be a tax based business, which the City really needs. He also told the board that he is working with a gentleman from Coatsville who owns two other funeral homes. He mentioned that if this funeral home would be built, it would be only the second African American funeral home. He stated that he did not feel he would be interested in purchasing the parking lot across the street as the large parcel would have adequate amount of space for parking.

Mr. Mukerji asked Mr. Taylor how soon he would be able to provide a business and finance plan.

Mr. Auman asked several specific questions regarding the business aspect of the funeral home and Mr. Luckey advised that Mr. Taylor also speak to City councilmen to keep them abreast of the project and to also speak with the neighborhood organization.

#### Project Updates

Mr. Mukerji gave updates on the projects he' s been working on. He advised that he' s been working on several RACP Grant applications for Alvernia College, YMCA and GoggleWorks Apartments. He also told the board that there have been several on going meetings regarding the property at 525 Lancaster Avenue, where the old Gilberts Associates

building once stood. On top of that, he stated that he has been working diligently on marketing the Hotel's Build America Bonds.

Mr. Mukerji told the board that with the recent activity and interest in the 525 Lancaster Ave property, there is renewed interest in redeveloping the Lancaster Ave corridor in City limits. He expressed great interest in getting the RRA involved in any way possible.

Mr. Luckey asked Mr. Mukerji if each month he could put a short report together on all of the projects that he work on during the month.

#### Property Tax Matters

Mr. Luckey asked Mr. Mukerji if the matter of property taxes on the Market House properties had been taken care of. Mr. Troy Rider of Barley, Snyder sat in for Mr. Mooney and stated that there will be a hearing which Mr. Mooney will attend for the properties to be determined non-taxable.

Mr. Viener asked why these properties were placed back on the tax rolls in the first place. If a property is transferred from one tax exempt owner to another, there should be no taxes. In this case, the properties went from the City to the RRA.

Mr. Witwer stated that this type of transaction happens all the time and under normal circumstances taxes are not applied once the RRA takes ownership, but for some reason that did not occur on this transaction.

#### BPRC Updates

Mr. Luckey advised the board that he believed there were 3 properties that would be coming up for eminent domain in the very near future. The properties would be taken over by the RRA during this process.

Mr. Auman asked if it were at all possible to get a list of the properties and do a walk-about so he could be more familiar with where some of these properties are located. He asked if Mr. Mukerji would accompany him.

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

The next regular monthly meeting of the Reading Redevelopment Authority will be held on Wednesday, 15<sup>th</sup> September 2010 at 5:30 p.m. in the Redevelopment Authority Conference Room 2-53, 815 Washington St., Reading, PA.

Respectfully submitted by:

  
Executive Assistant

MINUTES FROM THE REGULAR MONTHLY MEETING OF THE READING  
REDEVELOPMENT AUTHORITY OF THE CITY OF READING HELD ON 20<sup>th</sup>  
OCTOBER 2010

The Redevelopment Authority of the City of Reading held a Special meeting in the Redevelopment Authority Conference room of City Hall, 815 Washington Street, Reading, Berks County, Pennsylvania, on 20<sup>th</sup> October 2010.

The following members were present via conference call:

Ms. Michele Lauter	Chairwoman
Mr. Theo. Auman	Member
Mr. Geo. Viener	Member
Mr. Dan Luckey	Member

Absent: Mr. Philip Coles

Adam Mukerji, Executive Director, Dennis Witwer, Executive Assistant, Keith Mooney, Esq., of Barley Snyder and Council President Vaughn Spencer were also present.

Noting that four members were in attendance for a quorum at 5:35 p.m., Mr. Luckey called the meeting to order.

Minutes and Bills payable

The minutes were reviewed and were unanimously approved.

Mr. Witwer distributed the bills payable and financial report and after a brief overview both were approved.

## Project Updates

GoggleWorks Apartments - Mr. Mukerji told the board that the land on which the apartments will be built will be owned by the Reading Housing Authority. He also advised them that there had been some minor delays on the project do to financing and the letter of credit for the series A&B Bonds, all of which would be taken care of in the next few weeks.

Downtown Hotel - Mr. Mukerji gave a brief update on this project, stating that the B.A.B. (Build America Bonds) is still being marketed.

2<sup>nd</sup> and Washington Restaurants - Mr. Mukerji told the members of the board that he and Mr. Boscov have been working together on finding the best restaurants and small business for the store fronts on the ground level of the new parking garage at 2<sup>nd</sup> and Washington St. They have entered into a lease agreement with one restaurant entrepreneur.

Mr. Mukerji advised the board that he had met once again with Mr. Alan Shuman, along with Mr. Jon Scott. He stated that again, Mr. Shuman is asking to purchase the "State Building" parking lot located at 7<sup>th</sup> and Penn. He reminded the board of Mr. Shuman's appearance before the board in 2009 regarding the same property. Mr. Mukerji stated that he made it clear to Mr. Shuman that the RRA has no interest in selling this piece of land to anyone who does not plan on developing it for mixed use purposes. Mr. Shuman intends on keeping it a surface parking lot, which the board had determined was not the highest and best use for this lot, especially since there is a new 900+ parking garage directly across the street which Mr. Shuman could use for his business clients.

Chairwoman Lauter asked Mr. Mukerji to no longer meet with Mr. Shuman regarding this particular matter. She stated that this matter has been discussed ad nauseam infinitum and the board's decision still stands and is final.

Mr. Auman suggested that the board come up with a specific list that states exactly what they feel are the highest and best use for this property, that way when a prospector comes to the board with a business plan, the board already has a list of what to look for. Chairwoman Lauter agreed, stating that she wants the property to be used for mixed use business.

### New Business

Reading Royals - Mr. Mukerji told the board that the manager of the Reading Royals and contacted him regarding the use of a small piece of RRA owned property by the Sovereign center for a staging area for a one day function they would be holding. He stated that after consulting with Mr. Mooney he gave the "ok" to the Royals to use the land as long as there was a "holds harmless" for the Authority, which was taken care of.

Economic Business Magazine - Mr. Mukerji advised the board that he was approached by the new C.D. Director, Mr. Daniel Robinson that his department was putting together a new Economic Business Magazine for the City of Reading and asked if the RRA would like to place an ad in the magazine. The magazine would be good for 3 years. Mr. Mukerji thought it would be a good idea for the RRA to have an ad so that citizens and businesses would have a better understanding of what the RRA did. The price of the ad would come to \$800.00.

Mr. Viener made a motion to approve placing an ad in the new magazine for the amount of \$800.00. Mr. Auman seconded the motion. All members were in favor.

### BPRC Updates

The board was advised that there are currently 3 blighted properties which are up for eminent domain. Mr. Mooney submitted resolution 5-2010 to the board for their review and approval. Res. 5-2010, authorizing and direction the Authority Solicitor to take any and all legal action necessary to acquire fee simple title to: The lands of Sandra Greer located at 127 Walnut Street; the lands of Lissette Chevalier, located at 343 McKnight Street; and the lands of Sheila Perez located at 360 McKnight Street, all of Reading Pennsylvania, to facilitate the reuse and reinvestment in blighted properties within the City of Reading.

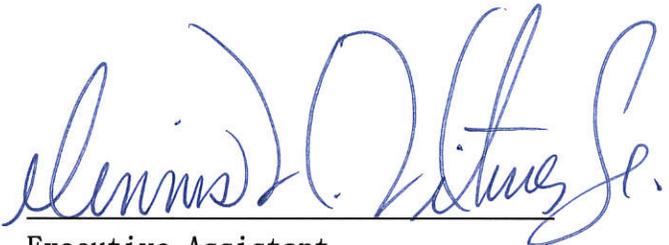
Mr. Luckey made a motion to approve Res. 5-2010 and Mr. Auman seconded the motion, all members were in favor.

Before adjourning the meeting Chairwoman Lauter asked Mr. Witwer if he knew if the artifacts from the Astor Theater stored in the 3<sup>rd</sup> and Spruce facility. Mr. Witwer stated that the last time he had been inside the building, the artifacts where store there, however he had not been there in several years. The Chairwoman stated that she would like to go into the facility and see what' s still in storage.

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

The next regular monthly meeting of the Reading Redevelopment Authority will be held on 17<sup>th</sup> November 2010 at 5:30 p.m. in the Redevelopment Authority Conference Room 2-53, 815 Washington St., Reading, PA.

Respectfully submitted by:

  
Executive Assistant