

Blighted Property Review Committee
Tuesday, November 18, 2008
Minutes

Members Attending: L. Olsen, W. Bealer, M. Candelario, D. Luckey

Staff Attending: J. Khokhar, C. Younger, L. Kelleher, A. Miller

Others Attending: V. Spencer, J. Worrall, K. Pick

Mr. Olsen called the meeting to order at 6:08 p.m. and noted that a quorum of members was present.

Public Comment

There were no requests for public comment from those present.

Approval of the Agenda and the October Meeting Minutes

Mr. Olsen asked the Committee to consider the agenda for this meeting and the minutes from the October meeting.

Mr. Bealer made some inquiries about the content of the minutes and said that he would speak with Ms. Kelleher later about some editorial changes.

Ms. Kelleher stated that Mr. Pick contacted her after reviewing the draft minutes that were circulated. He questioned if the expansion of the Buttonwood Gateway area was properly approved by the City. After speaking further with Mr. Pick and Mr. Miller, it was discovered that the City's Planning Commission approved the expansion; however, the final steps to approve the expansion were never taken or approved. Mr. Pick stated that he is currently working to learn what additional steps are required.

Mr. Candelario moved, seconded by Mr. Bealer, to approve the agenda for this meeting and the minutes from the October meeting as presented. The motion was approved unanimously.

Introduction of CD Director

Mr. Mayes was unable to attend the meeting.

Habitat for Humanity

Jay Worrall, Executive Director, stated that this program was developed in the late 70's. Former President Jimmy Carter was one of the first official spokespersons for this program. He explained the program was started by two pastors from Georgia during the Carter Administration to help low income families build safe homes. He explained the "No Shack" focus. He stated that Jimmy Carter was a spokesperson for the organization but was not involved with running the organization. The organization is focused on those falling in the lowest income classification who can still afford a mortgage (those falling generally under 50% of the median income). The program builds new homes and rehabilitates existing homes. He stated that the program requires a 400 hour work contribution from the participating family. This organization has been in existence for 32 years nationwide and 20 years locally. He explained the international effort of the organization.

Mr. Worrall explained that the average newly constructed homes cost approximately \$90,000. He explained that projects are fully funded prior to construction. Homes are offered at 100% financing, interest free. To date Habitat for Humanity has never experienced a home foreclosure or a severe delinquency. The local organization has rehabilitated 14 homes and built 24 homes. Mr. Olsen noted the rarity of a no interest mortgage program in today's economy.

Mr. Worrall explained that no interest loans are available because the construction is funded upfront then repaid back to the organization. He noted the strength of the volunteer community. He explained the organization is starting to develop new design standards through the volunteerism of architect Bill Vitale. Mr. Worrall noted that the Home Builders Association provides many of the necessary building materials.

Mr. Worrall stated that he is interested in working with the BPRC to rehabilitate appropriate properties. Mr. Olsen explained the background of the Reading BPRC and the education members received from Harrisburg and Allentown BPRCs.

Report from County CD Director

Mr. Pick reported that the County is currently demolishing 13 properties in the Buttonwood Gateway and Benners Court area. He explained the cost of providing basic upkeep of properties owned by the County.

Mr. Pick stated that he and Mr. Mayer are currently reviewing the Federal Neighborhood Stabilization Act, which will provide approximately \$59 million for Pennsylvania municipalities. This program applies to foreclosed properties and will provide funding for demolition and rehabilitation of other properties. He noted the various nuances of this federal act. He promised to provide updates as more information becomes available.

Anti-Blight Bill

Ms. Kelleher stated that the State anti-blight bill was passed by both the Senate and the House and forwarded for the Governor's signature. An article concerning the bill, forwarded by Ms. Mayfield, is attached to the agenda, along with a copy of the brief on the bill provided by the City's Legislative Aide Committee.

Updates

1. Target Properties

Mr. Khokhar distributed a list of the 13 properties in the target area. He questioned Codes ability to take on additional properties along with their other responsibilities. Mr. Bealer explained the BPRC will not be adding additional properties for a one-year period. He explained that the target list only includes the 13 properties in the target area along with the properties in the target neighborhood (the 600 block of North Front Street) and the 5-6 individual properties identified in June.

Mr. Olsen stated that the Codes subcommittee, headed by Mr. Bealer, could provide some assistance with managing these properties. He stated that before the December meeting he will be meeting with Ms. Kelleher to discuss the use of subcommittees.

2. Meeting with HBA

Mr. Khokhar stated that he will contact Mr. Rohrbach about attending the December meeting.

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Other Business

The BPRC reviewed some digital photographs taken by Mr. Bealer of properties in the target areas.

The BPRC next discussed the pros and cons of purchasing blighted properties at tax sales held by the County. Ms. Kelleher inquired if Codes still sends staff to have people who purchase tax sale properties sign agreements stating they will rehabilitate the property within a stated period. Mr. Khokhar stated that staff still attends the tax sales.

In response to Ms. Kelleher's inquiry about follow-up with people purchasing properties at tax sales, Mr. Khokhar stated that no follow up occurs because follow-up is not required by ordinance. Mr. Miller and Ms. Kelleher countered that the act of follow-up does not require legislation. The person purchasing a property signs a document promising to rehabilitate it to bring it into compliance with the City's Codes. An inspector should be assigned to follow up to see that the property complies with the City's codes regulations.

No further business was brought forward. Mr. Candelario moved, seconded by Mr. Bealer, to adjourn the meeting.

—Respectfully submitted by Linda A. Kelleher, City Clerk

Follow-up Issues

- Update on the inclusion of ADD, community gardens, OCR rehabbed properties, parking lots and demolished properties in the program provided by Great Valley - Mr. Bealer
- Update on Grant availability - Mr. Olsen & Ms. Kelleher
- Meeting with President of HBA - Mr. Khokhar
- Codes Forum - Ms. Mayfield
- Codes visit to Allentown Codes Department - Ms. Mayfield & Mr. Khokhar
- Updates on properties on the target list, as amended - Mr. Khokhar and Mr. Bealer