
Blighted Property Review Committee
Thursday, September 16, 2010
Meeting Report

Mr. Lucky called the Determination Hearing to order at 6:15 p.m. He stated that he will be chairing the meeting as Mr. Olsen is on vacation.

Mr. Candelario announced that the purpose of the hearing was to consider if the conditions of the properties on the agenda met the conditions set by the Pennsylvania Urban Redevelopment Law of 1945, as amended and the City of Reading Blighted Property Review Committee Ordinance, and could be determined as blighted.

BPRC Attendance: D. Luckey, D. Reed, M. Wolfe, A. Grant, W. Bealer, M. Candelario

Staff Attendance: L. Kelleher, S. Haver, M. Mayfield

Mr. Luckey asked Ms. Mayfield, attorney from the City's Law Department, to conduct the hearing. She asked the property owner to step to the podium.

Ms. Mayfield summarized the blighted conditions as set forth in the City's Blighted Property ordinance.

- 1. 217 North 2nd Street, owned by Octavio R. Lopez-Ventura, of 514 West 211 Street, Apt 2-A, New York, NY 10034, purchased December 2007.**

Ms. Kelleher issued the oath to Francisco and Octavio Lopez and provided them with a copy of the agenda materials pertaining to the conditions of the property.

Ms. Mayfield reviewed the agenda materials, along with the documentation and findings from City staff, stipulated by affidavit. The materials were entered as an exhibit.

Francisco Lopez stated that he will provide translation services for his father, the property owner. Through translation, Mr. Lopez reported that he purchased the property under a rent to own arrangement that began in 2004. He stated that the property was transferred to him in December 2007. In response to a question from Ms. Mayfield, Mr. Lopez stated that he did not investigate the delinquent taxes, water charges, liens, etc. for the property before it was transferred to him.

Mr. Lopez stated that he purchased money orders to begin to cure the tax delinquencies and brought them along to the hearing. Ms. Mayfield explained that the BPRC cannot accept

payments and advised Mr. Lopez to make payment at the Treasurer's Office between 8 am and 4 pm during the work week.

Mr. Lopez stated that the property does not have trash or recycling service as it has been vacant since 2004. He described his plan to rehabilitate the property and reside there after he retires. He described the problems he has had making improvements to the property due to neighborhood conditions. He added that his property has been broken into several times and thieves have stolen his copper piping and supplies. He explained that as he has had a hard time keeping up with the property and that he has advertised it on the real estate market for the last year. Mr. Haver stated that Mr. Lopez declined the offer made by Our City Reading. Mr. Lopez stated that he declined the offer because the priced offered was too low. He stated that he currently resides in New York City.

Mr. Lucky thanked Mr. Lopez for attending the hearing and he explained the need for the City to aggressively address the number of blighted properties that affect various neighborhoods.

Mr. Candelario inquired if Mr. Lopez reported the break-ins to the police.

Mr. Haver reported that Mr. Lopez has not requested a rehab agreement. He advised Mr. Lopez that there are many programs to assist the rehabilitation of owner occupied properties. He asked Mr. Lopez to schedule a meeting with him.

Public Comment

Mr. Luckey opened the floor for public comment. No one came forward to address this property.

BPRC Vote

Ms. Wolfe moved, seconded by Mr. Bealer, to approve the determination of 217 North 2nd Street as a blighted property. The motion was approved unanimously.

Mr. Luckey advised Mr. Lopez that the Certification Hearing will take place in November.

- 2. 116 North 3rd Street, owned by Wellington Salinas, 836 Redwood Avenue, Reading, PA 19606, purchased in March 2010.**

Ms. Mayfield asked the property owner or his representative to step forward. No one stepped forward and Ms. Mayfield announced that the property owner was not present.

Ms. Mayfield reviewed the agenda material, along with the documentation and findings from City staff, stipulated by affidavit. The materials were entered as an exhibit.

Mr. Haver stated that the rehabilitation of the property is underway. Mr. Luckey asked that the BPRC consider keeping the property in the process to ensure the completion of the rehabilitation.

Public Comment

Mr. Luckey opened the floor for public comment. No one stepped forward to speak.

BPRC Vote

Mr. Bealer moved, seconded by Ms. Reed, to determine 116 North 3rd Street as a blighted property. The motion was approved unanimously.

- 3. 243 North 4th Street, owned by Lobos Four, LLC, aka Ben Epstein, 145 SE 15th Street, Brooklyn NY 11230, purchased November 2005.**

Ms. Mayfield asked the property owner or his representative to step forward. Eric Byrne stepped forward and stated that he is the property manager for this property.

Ms. Kelleher issued the oath to those intending to testify.

Ms. Mayfield reviewed the agenda material, along with the documentation and findings from City staff, stipulated by affidavit. The materials were entered as an exhibit. Mr. Byrne was supplied with a copy of the exhibit.

Mr. Haver stated that this property is on the upcoming County Tax Claim Bureau tax sale, slated for December.

Mr. Byrne stated that Mr. Epstein did not receive any notices about the hearing. Ms. Kelleher explained that notice was sent both to Lobos Four's corporate address and to Mr. Epstein's home address via certified and first class mail. She stated that the certified letters were returned unsigned but the letters and notices mailed first class were not returned. Ms. Mayfield stated that the court system has opined that the lack of a returned first class letter is assumed to be received.

Mr. Byrne stated that Mr. Epstein can afford to contribute to the property but is hesitant as a reuse plan has not been identified. He stated that Mr. Epstein retained poor property managers, before he took over, and was reluctant to spend more money on this property. He explained that he became the property manager in August 2010 and has met with Mr. Haver and Ms. Kelleher to discuss the reuse of this property. He described the various impediments to rehabilitating this property. He asked the BPRC to delay their vote to determine the property as blighted and provide the property owner with additional time.

Mr. Luckey stated that some progress has been made since the property was placed on the BPRC Target List.

Ms. Reed asked Mr. Byrne if Mr. Epstein is interested in the reuse of this property or if he is just an investor. Mr. Byrne explained that Mr. Epstein is wealthy and depended on his partners to work to rehabilitate the property. He stated that at present he is unsure of Mr. Epstein's true intentions.

Public Comment

Mr. Luckey opened the floor for public comment. No one came forward to speak.

BPRC Vote

Ms. Reed moved, seconded by Mr. Grant, to determine 243 North 4th Street as a blighted property. The motion was approved unanimously.

Mr. Luckey advised Mr. Byrne that the Certification Hearing would be held in November.

- 4. 517 North 4th Street, owned by Olga Sovgrya, of 200 84th Street, Apt 604 Brooklyn NY 11214, purchased April 2008.**

Ms. Mayfield asked the property owner or his representative to step forward. No one stepped forward and Ms. Mayfield announced that the property owner was not present.

Ms. Mayfield reviewed the agenda materials, along with the documentation and findings from City staff, stipulated by affidavit. The materials were entered as an exhibit.

Public Comment

Mr. Luckey opened the floor for public comment. Mr. Domingo DeJesus, owner of 517 North 4th Street, stepped forward to testify. Ms. Kelleher issued the oath to Mr. DeJesus.

Mr. DeJesus stated that due to the condition on 517 North 4th Street, he was forced to keep his property vacant. He stated that 517 North 4th is having a negative impact on his property. He stated that his attempts to contact the property owner failed. Mr. DeJesus stated that he would like to rent this property.

BPRC Vote

Mr. Grant moved, seconded by Mr. Bealer, to determine 517 North 4th Street as a blighted property. The motion was approved unanimously.

5. 1237 Buttonwood Street, owned by Harry Stouffer, of PO Box 70 Cressona PA 17929

Ms. Mayfield asked the property owner to step forward. Ms. Kelleher attempted to issue the oath to Mr. Stouffer; however, he refused to take the oath.

Ms. Mayfield reviewed the agenda material, along with the documentation and findings from City staff, stipulated by affidavit. The materials were entered as an exhibit. Mr. Stouffer objected and claimed that the hearing violates constitutional rights as his accusers are not present for questioning. He expressed the belief that the hearing and the blighted property process is null and void. He also claimed that the property is not vacant as his dog resides at the property.

Mr. Stouffer stated that he did not receive the notification of the hearing. Ms. Kelleher explained that the notice was mailed to Mr. Stouffer's Cressona address by first class and certified mail. She stated that the certified mail was returned; however, the first class letter was not returned. Ms. Mayfield stated that the courts have opined that unreturned first class mail is viewed as received. Ms. Kelleher showed Mr. Stouffer copies of the notices and other blighted property letters that were mailed to Mr. Stouffer.

Mr. Stouffer left the hearing.

Ms. Mayfield stated that Mr. Stouffer failed to appear at a recent codes appeal hearing as he claimed to be out of town on an extended trip.

Ms. Reed stated that the building is an eyesore and a public hazard and thanked the BPRC and staff for bringing this property forward.

Public Comment

Mr. Luckey opened the floor for public comment. No one came forward to speak.

BPRC Vote

Ms. Wolfe moved, seconded by Ms. Reed, to determine 1237 Buttonwood as a blighted property. The motion was approved unanimously.

6. 161 Clymer Street, owned by J & B Investments aka Jill and Robert Savory, PO Box 553, Douglassville, PA 19518, purchased April 2007.

Ms. Mayfield asked the property owners to step forward.

Ms. Kelleher issued the oath to the property owners, to Robert Snyder, Esquire and to City

Councilor Marcia Goodman-Hinnershitz.

Ms. Mayfield reviewed the agenda material, along with the documentation and findings from City staff, stipulated by affidavit. The materials were entered as an exhibit. The property owners and Attorney Snyder were provided with a copy of the exhibit. Attorney Snyder provided an additional exhibit, marked as Exhibit 11, providing information on the property since its purchase.

Mr. Haver stated that seven (7) liens are levied against the property at this time which totals in excess of \$700K. Mr. Bealer noted that the exhibit from the Savory's includes a demolition estimate.

Attorney Snyder stated that he had no objection to the process or the findings. He stated that Mr. and Mrs. Savory are currently involved in divorce proceedings and that he represents Mr. Savory.

Mr. Savory stated that he purchased the property at a tax sale and found the property to be vacant due to the deteriorated condition of the property. He stated that he worked to restore the property until the debilitating fire two years ago. He stated that the divorce proceedings interrupted his ability to properly address the property's condition.

Ms. Mayfield asked the Savory's about the time-line to cure the property's condition. Mrs. Savory stated that the hearing master will soon decide who owns the property and that demolition will follow shortly.

Mrs. Savory stated that she was not provided with notice of the hearing. Ms. Kelleher stated that notification was mailed to the corporate address of J & B Investments. Mrs. Savory requested that a copy of the notifications also be sent to her. *Note: She supplied her address at the conclusion of the hearing.*

Ms. Mayfield explained the blighted property process.

Mr. Savory stated that he has been working on the rear portion of the property, a carriage house converted into a multi unit apartment building. He stated that this building is fully occupied.

Ms. Mayfield recounted her past discussions with Mr. Savory. Mr. Savory stated that Ms. Mayfield's assertions are accurate.

Mr. Savory noted his work with Codes staff to address issues with the property. He requested additional time.

Mr. Bealer explained the process and stated that if the conditions at the property are corrected, the decision made today could be overturned at the November hearing. He explained the blighted property law.

Public Comment

Mr. Luckey opened the floor for public comment. City Councilor Marcia Goodman-Hinnershitz stepped forward to speak.

City Councilor Marcia Goodman-Hinnershitz stated that the property is located in her Council District, District 2. She described the ongoing maintenance issues with the property both during and before J & B Investments ownership of the property. She stated that after the debilitating fire Mr. Savory's attempts to secure the property properly have been inconsistent. She stated that the property is both a public nuisance and an attractive nuisance. She noted the years of complaints from surrounding residents about the condition of this property. She requested quick resolution to this blighted property for the sake of the neighborhood.

Mr. Savory expressed the belief that the maintenance problems stopped after he purchased the property in 2007.

BPRC Vote

Mr. Grant moved, seconded by Mr. Candelario, to determine 161 Clymer Street as a blighted property. The motion was approved unanimously.

Ms. Mayfield explained the meaning of the Determination vote.

7. 146 Elm Street, owned by Samuel Sanchez, 520 Schuylkill Avenue, purchased May 2010

Ms. Mayfield asked the property owner to step forward.

Ms. Kelleher issued the oath to the property owner.

Ms. Mayfield reviewed the agenda material, along with the documentation and findings from City staff, stipulated by affidavit. The materials were entered as an exhibit.

Mr. Sanchez promised to rehabilitate the property. He said that he has been working on the rehabilitation with Mr. Franco from the Trades Office. He stated that he currently lives in a rental property but plans to move into 146 Elm Street after the building is rehabilitated. He stated that the current economy has affected the rehab of the building; however, he has continued to make improvement. He stated that he recently rented a dumpster to begin

working on the interior of the property. He described the problems he has had with neighbors dumping household trash into the dumpster.

Mr. Luckey inquired if he completed a rehab agreement. Mr. Sanchez stated that he did not know what a rehab agreement was. Mr. Luckey asked him to contact Mr. Haver for more information.

Mr. Sanchez stated that he is not an investor but wants to live in the property. He explained that he purchased the property through a rent to own arrangement that began approximately four (4) years ago. He stated that he did not investigate if the property had delinquencies in utility bills or taxes.

Ms. Mayfield explained that delinquent utility bills such as water and property taxes follow the property, not the prior owner. Mr. Sanchez stated that he has started paying off the water bills and will also work to correct the tax delinquencies.

Ms. Mayfield asked Mr. Sanchez to contact Mr. Haver for a rehab agreement and information on the LERTA program and other owner occupied assistance programs available through NHS.

Public Comment

Mr. Luckey opened the floor for public comment. No one came forward to speak.

BPRC Vote

Mr. Grant moved, seconded by Mr. Bealer, to determine 146 Elm Street as a blighted property. The motion was approved unanimously.

- 8. 476 Schuylkill Avenue, owned by Will Gernert, of 100 Dewald Road, Reading 19606, no purchase date listed**

Ms. Mayfield asked the property owner to step forward.

Ms. Kelleher issued the oath to the property owner and his legal counsel, JD Krafczek, Esquire. Attorney Krafczek entered two (2) recent photographs of the property into the record, marked as Exhibit 12 and 13. Attorney Krafczek noted that the property is located within a MC zoning district.

Ms. Mayfield reviewed that agenda material, along with the documentation and findings from City staff, stipulated by affidavit. The materials were entered as an exhibit. She also noted that the Building Inspector has determined that the building is a commercial property that is used to support the owner's plumbing business. Attorney Krafczek expressed

agreement. He stated that as the property is used for business purposes, it is not vacant and would not fall under the ordinance. He asked the Committee to reject the determination of this property.

Ms. Mayfield noted that the only zoning permit issued for this property allows cell towers on the roof of the building. Mr. Gernert stated that he purchased the property in 1988 and believed that the prior owners zoning permit would remain in effect. Ms. Mayfield stated that the City's zoning ordinance requires a new owner to obtain a new zoning permit. Mr. Gernert stated that he pays all bills in a timely manner.

Ms. Mayfield recommended that the BPRC remove this property from consideration due to the documentation and information affidavit provided by the Building Inspector.

Mr. Bealer thanked Mr. Gernert for paying his bills regularly but noted the extreme disrepair of the building, which used to be a City firehouse. He asked Mr. Gernert to correct the many maintenance issues and apply for a zoning permit.

Ms. Mayfield instructed Mr. Gernert to call the Zoning Administrator to apply for a zoning permit. Mr. Gernert agreed to apply for a zoning permit and make the required maintenance corrections to the building.

Public Comment

Mr. Luckey opened the floor for public comment. No one stepped forward to speak

BPRC Vote

Mr. Bealer moved, seconded by Mr. Candelario, to reject the determination of 476 Schuylkill Avenue. The motion was approved unanimously.

- 9. 153 Elm Street, owned by Carl Pearson, of 4432 Somerton Road, Trevoise PA 19053, purchased in April 2007**

Ms. Mayfield asked the property owner to step forward. The property owner was not present.

Ms. Mayfield reviewed the agenda material, along with the documentation and findings from City staff, stipulated by affidavit. The materials were entered as an exhibit.

Public Comment

Mr. Luckey opened the floor for public comment. No one stepped forward to speak.

BPRC Vote

Mr. Candelario moved, seconded by Ms. Reed, to determine this property as blighted. The

motion was approved unanimously.

10. 305 Locust Street, owned by Mireya Pagan, of 70 East 166th Street, Apartment 5F, Bronx, NY 10456, purchased in November 2008

Ms. Mayfield asked the property owner to step forward. The property owner was not present.

Ms. Mayfield reviewed the agenda material, along with the documentation and findings from City staff, stipulated by affidavit. The materials were entered as an exhibit.

Public Comment

Mr. Luckey opened the floor for public comment. No one stepped forward to speak.

BPRC Vote

Mr. Bealer moved, seconded by Ms. Reed, to determine this property as blighted. The motion was approved unanimously.

Ms. Wolfe moved, seconded by Mr. Grant, to adjourn the Determination Hearing.

Respectfully submitted by Linda A. Kelleher, Secretary