

CITY COUNCIL

Meeting Agenda

***REGULAR MEETING
COUNCIL CHAMBERS***

***MON, FEBRUARY 9, 2009
7:00P.M.***

OPENING MATTERS

CALL TO ORDER

INVOCATION: Rev. Dr. Delishia Boykin Wilson, Bethel AME Church

PLEDGE OF ALLEGIANCE

ROLL CALL

PROCLAMATIONS AND PRESENTATIONS

Mayoral Proclamation

- In recognition of Engineers Week, accepted by Michael Hartman, P.E., Chapter President of the Reading Chapter of the Pennsylvania Society of Professional Engineers

Council Commendation

- In recognition of Josie Torres Boykins, Latino Chamber of Commerce 2008 Person of the Year
- In recognition of Black History Month, accepted by the NAACP
- In recognition of personal achievement by athletes in fall sports at Reading High School

PUBLIC COMMENT – AGENDA MATTERS:

Citizens have the opportunity to address the Council, by registering with the City Clerk before the start of the meeting. All remarks must be directed to Council as a body and not to any individual Council member or public or elected official in attendance. Any person making personally offensive or impertinent remarks or any person becoming unruly while addressing Council may be called to order by the Presiding Officer and may be barred from speaking before Council, unless permission to continue speaking is granted by the majority vote of Council.

All comments by the public shall be made from the speaker's podium. Citizens attending the meeting may not cross into the area beyond the podium. Any materials to be distributed to Council must be given to the City Clerk before the meeting is called to order.

Those commenting on agenda business shall speak at the beginning of the meeting and shall limit their remarks to 5 minutes. Those commenting on general matters shall speak after the legislative business is concluded and shall limit their remarks to 3 minutes. No comments shall be made from any other location except the podium, and anyone making "out of order" comments may be subject to removal. There will be no demonstration at the conclusion of anyone's remarks. Citizens may not ask questions of Council members or other elected or public officials in attendance.

APPROVAL OF AGENDA

AGENDA: Council Meeting of February 9, 2009

MINUTES: Council Meetings of January 12 and January 26, 2009

Consent Agenda Legislation

Resolution – upgrading street lights in the 400 block of S. 7th Street (**Engineering**)

Award of Contract - to Polydyne, Inc., One Chemical Plant Road, Riceboro, GA 31323 who is the low bidder, at a price of \$1.57/pound for approximately 60,000 pounds, for a total bid of \$94,200.00 for Cationic Polymer Flocculant (**Purchasing**)

Award of Contract - to George S. Coyne Chemical Co., Inc., 3015 State Road, Croydon, PA 19021 who is the low bidder, at a price of \$8.22/gallon for approximately 20,000 gallons, for a total bid of \$164,400.00 for Sodium Phosphate (**Purchasing**)

Award of Contract - to George Coyne Chemical, 3015 State Road, Croydon, PA 19021-6997, who is the low bidder, at a price of \$8.676/gallon for approximately 10,000 gallons, for a total bid of \$86,760 for Zinc Orthophosphate (**Purchasing**)

Resolution - Authorizing the submission of the attached PaDEP Grantee Agreement for Bushong Mill Dam, across the Tulpehocken Creek, upstream from the confluence with the Schuylkill River (**Public Works**)

Resolution – 5 year agility agreement with PennDOT (**Public Works**)

Resolution - authorizing an application for DCED funds in the amount of five \$500,000.00 for the “Goggle Works Apartments” project, authorizing the execution of any and all necessary documents and carrying out all procedures as required by the Commonwealth of Pennsylvania. In addition, the City of Reading will: (1) assume the

provision of the full local share of the project costs; and (2) reimburse the Commonwealth for the DCED's share of any expenditures found by DCED to be ineligible (Redevelopment Authority)

Resolution - requests an H2O PA grant in an amount up to \$20,000,000 from the Commonwealth Financing Agency to be used for the Phase I – Complementary Activities Prerequisite to Fritz Island Waste Water Treatment Plant Upgrade Project (**Man Dir**)

ADMINISTRATIVE REPORTS

REPORT FROM OFFICE OF THE AUDITOR

REPORTS FROM DIRECTORS & BOARDS AUTHORITIES AND COMMISSIONS

Downtown Improvement District Authority - Charles Broad, Executive Director

ORDINANCES FOR FINAL PASSAGE

Bill No. 7-2009 – increasing the salary of the Police Chief to \$108,957.13, a 4% increase, per annum retroactive to January 23, 2009 (**Managing Director**) *Introduced at the January 26 regular meeting*

Bill No. 8-2009 – amending the full time position ordinance by creating the position of Gun Safety Coordinator in the Mayor's Office (**Managing Director**) *Introduced at the January 26 regular meeting*

Bill No. 4-2009 - amending The Codified Ordinances Of The City Of Reading Chapter 1 – Section 1-186, 3, G by adding a new (3) requiring Council approval for all expenditures made from any and all Agency Funds and any and all line items and allocations made in the "Department: Non-Departmental" area of the General Fund Budget (**Council President Spencer**) *Introduced at the January 12 regular meeting; Tabled at the January 26 regular meeting and referred to Finance Committee*

Pending
Advertisement and Public Hearing Required by MPC
Notice of Pending Ordinance Doctrine

Ordinance - to adopt an amendment to the Zoning Ordinance under the authority of the Pennsylvania Municipalities Planning Code, which adds a Planned Residential Development (PRD overlay called the "RR Riverfront Redevelopment Overlay Zoning District" and to apply the new district to lands from the centerline of the Schuylkill River to areas to the east and northeast of the river, including areas generally south and southwest of Franklin St, along both sides of S. 2nd St. and Riverfront Dr., and along both sides of Canal Street including areas south of Laurel St., south of Willow St., west of S. 7th St. and north of South St. and as shown in more detail on the attached RR zoning overlay district map **(Solicitor) Introduced at the December 8 regular meeting; public hearing held January 8; 2nd public hearing scheduled for Feb 18th at 5 p.m. in Council Chambers**

Ordinance - amending the City of Reading Code of Ordinances Chapter 27 Zoning by creating a new section in Part 11 Additional Requirements for Specific Uses of Zoning Districts by placing requirements for the rental of single family homes in areas zoned R-1, R-1a and R-2 and amending the definitions section **(Council Staff) Introduced January 2009, Public Hearing scheduled for March 18th at 5 p.m. in Council Chambers**

INTRODUCTION OF NEW ORDINANCES

RESOLUTIONS

Resolution – denying the conversion of 439 S 9th St to a three unit dwelling **(Council Staff)**

Resolution – approving an interest rate management plan; approving the form of an amendment to the existing interest rate management agreement relating to its General Obligation Bonds, Series of 2002 **(Man Dir)**

PUBLIC COMMENT - GENERAL MATTERS

COUNCIL BUSINESS / COMMENTS

COUNCIL MEETING SCHEDULE

Monday, February 9

Meeting with the Mayor – Mayor’s Office – 4 pm

Committee of the Whole – Council Office – 5 pm

Regular Meeting – Council Chambers – 7 pm

Tuesday, February 10

Waste Water Treatment Plant – Council Office – 5 pm

Monday, February 16

City Hall closed – President’s Day

Tuesday, February 17

Meeting with the Mayor – Mayor’s Office – 4 pm

Public Works Committee – Council Office – 5 pm

Administrative Oversight Committee – Council Office – 5 pm

Work Session – Penn Room – 7 pm

Wednesday, February 18

PRD Public Hearing – Council Chambers - 5 pm

Thursday, February 19

District 2 Town Meeting – St. Matthew’s Church, 18th & Cotton Sts -

Monday, February 23

Meeting with the Mayor – Mayor’s Office – 4 pm

Committee of the Whole – Council Office – 5 pm

Regular Meeting – Council Chambers – 7 pm

BAC AND COMMUNITY GROUP MEETING SCHEDULE

Monday, February 9

Fire Civil Service Board – Penn Room – 4 pm

6th & Amity Neighborhood & Playground Assn – 6th & Amity Fieldhouse – 6:30 pm

Tuesday, February 10

Airport Authority – Airport Authority Office – 8:15 am

Water Authority Workshop – Penn Room – 4 pm

Park and Recreation Advisory Committee – Pendora Field House – 5:30 pm
15-1 – 928 Pearl St – 6:30 pm
Planning Commission – Penn Room – 7 pm
Bethany Area Neighborhood Organization – Bethany Baptist Church – 7 pm
District 11 Crime Watch – Orthodox Presbyterian Church – 7 pm

Wednesday, February 11

Zoning Hearing Board – Penn Room – 5:30 pm
Center City Community Organization – Holy Cross Church – 6 pm
Greenwich Seed – Hope Lutheran Church – 6:30 pm

Thursday, February 12

Police Pension Board – Penn Room – 10 am
Southeast Community Council – Amanda Stoudt Elementary School – 7 pm
Legislative Aide Committee – Penn Room – 7:30 pm

Monday, February 16

Library Board – 113 S 4th St – 4 pm

Tuesday, February 17

HARB – Planning Conference Room – 7 pm
Charter Board – Penn Room – 7 pm
Council of Neighborhoods – Goggleworks – 7:30 pm

Wednesday, February 18

Convention Center Authority – Sovereign Center CEI Lounge – 7 am
Officers and Employees Pension Board – Penn Room – 1:30 pm
Fire Diversity Board – Penn Room – 4:30 pm
Redevelopment Authority – Redevelopment Authority Office – 5:30 pm
Police Diversity Board – Penn Room – 5:30 pm
Community of Hope of the 6th Ward – Lauer’s Park Elementary – 6:30 pm
UNO – Mennonite Church – 7 pm
Centre Park Historic District – Member’s home – 7:30 pm

Thursday, February 19

Dare 2 Care – Bethel AME Church – 5:30 pm
Southeast People’s Voice – St. John’s UCC – 6 pm
Mulberry & Green Citizens Committee – St. Luke’s Lutheran Church – 6:30 pm

Friday, February 20

Fire Pension Board – Penn Room – 10 am

Monday, February 23

DID Authority – Reading Eagle 3rd floor conference room – noon

BARTA – BARTA Office – 3 pm

Northwest Neighborhood Assn – Wesley United Methodist Church – 6:30 pm

Penn’s Commons Neighborhood Group – Penn’s Commons Meeting room – 7 pm

City of Reading City Council

Regular Meeting Monday, January 12, 2008

A regular meeting of City Council was held on the above date for the transaction of general business.

Vaughn D. Spencer, President of Council, called the meeting to order.

The invocation was given by Rev. Danny Moore, of Holy Trinity Church.

All present pledged to the flag.

ATTENDANCE

Council President Spencer
Councilor Fuhs, District 1
Councilor Goodman-Hinnershitz, District 2
Councilor Sterner, District 3
Councilor Marmarou, District 4
Councilor Baez, District 5
City Auditor D. Cituk
City Solicitor, C. Younger
Mayor, T. McMahon
Managing Director, R. Hottenstein
City Auditor, D. Cituk
City Clerk, L. Kelleher
City Solicitor, C. Younger

PROCLAMATIONS AND PRESENTATIONS

There were no proclamation or presentations issued at this meeting.

PUBLIC COMMENT

Council President Spencer announced that four citizens were registered to address Council this evening, three on agenda matters and one on non-agenda matters. He inquired if Council wished to suspend the rule requiring those registered to speak on non-agenda matters to wait until the legislative matters before Council are concluded. As no one objected that portion of the rules was suspended.

Council President Spencer reminded the four citizens of the remaining public speaking rules.

Jim McHale- of West Chester, stated that he is a City property owner and expressed the belief that withdrawing the proposed PRD which brings with it a \$2.8 billion redevelopment project is a _____. In addition to increased property taxes the City would also experience an addition of jobs both pre and post construction. He stated that the PRD issue is no brainer and expressed the belief that the majority of those affected and unaffected support the project. He asked Council to avoid additional hearings and additional delays.

Ed Giannasca- of Canal Street, expressed the belief that the outcome of the PRD Public Hearing was encouraging. He asked Council to avoid delays and additional hearings as the PRD must be in place before arrangements can be made with financiers.

Jim Burdge- noted that the approval of the PRD is only the beginning of the public process as all development applications must be reviewed at Planning Commission Meetings. He stated that re-development plans will receive scrutiny from the Planning Commission and the Public He stated that delays will only harm the projects outlook.

David Kurzweg- of Mifflin Boulevard, described the upcoming Martin Luther King Jr. Holiday Event for the Miller Center from 6-9pm on Monday January 19th.

APPROVAL OF AGENDA AND MINUTES

Council President Spencer called City Council to consider the agenda for this evenings meeting and the minutes from the December 22nd Regular Meeting and the December 29th Special Meeting. He noted that approval of the agenda will also include the items listed under the Consent Agenda Heading.

Council President Spencer noted the need to add an Ordinance under introduction of new ordinances pertaining to the Sidewalk Vendor Amendment.

Councilor Baez moved, seconded by Councilor Marmarou, to approve the agenda as amended, including the legislation listed under the Consent Agenda heading and the minutes from the December 22nd Regular Meeting and the December 29th Special Meeting. The motion was approved unanimously.

ADMINISTRATIVE REPORT

Managing Director R. Hottenstein highlighted the report distributed to Council at the meeting covering the following:

- GPS Study of the location of traffic sign signals and lights by Geo Decisions.
- Start of a Public Safety Junior Club at Southern Middle School.
- A community meeting at the artifacts bank on February 18th at 7pm.
- Take Your Key get a Ticket Program, leaving a running motor vehicle could be fined.

Councilor President Spencer questioned if leaving a running vehicle is a state law. Mr. Hottenstein stated that he did not know.

Council President Spencer inquired how the Administration plans to enforce that regulation as many new cars are outfitted with the ability to start via remote control. He also noted that some people warm their engines before driving by starting the vehicle then locking it with a spare key.

Mr. Hottenstein stated that this regulation will be enforced to reduce auto theft.

Council Marmarou's request to be excused to be from the meeting to attend another event was granted.

AUDITOR'S REPORT

City Auditor Dave Cituk read the report distributed to Council at the meeting. His report covered the membership and meetings times of the City's three Pension Boards. He also noted his work to report on the status of repeat findings found in external audit reports.

ORDINANCES FOR FINAL PASSAGE

Ordinance - to adopt an amendment to the Zoning Ordinance under the authority of the Pennsylvania Municipalities Planning Code, which adds a Planned Residential Development (PRD) overlay called the "RR Riverfront Redevelopment Overlay Zoning District" and to apply the new district to lands from the centerline of the Schuylkill River to areas to the east and northeast of the river, including areas generally south and southwest of Franklin St, along both sides of S. 2nd St. and Riverfront Dr., and along both sides of Canal Street including areas south of Laurel St., south of Willow St., west of S. 7th St. and north of South St. and as shown in more detail on the attached RR zoning overlay district map (Solicitor) Introduced at the December 8 regular meeting; public hearing held January 8

Council President Spencer announced that there are no Ordinances for Final Passage this evening as it is the first meeting of the new calendar year. He noted that the PRD Ordinance will require a second Public Hearing due to the discovery that the affected parcel was not posted. A hearing will be scheduled as quickly as possible.

INTRODUCTION OF NEW ORDINANCES

Ordinance - amending the code of ordinances of the City of Reading, Berks County, Pennsylvania, fee schedule, administrative fees, public record fees (**Council staff**)

Ordinance – authorizing the transfer of \$248,000 from the Self Insurance Fund Water/Sewer Main Break line item #52-11-00-4517 into the Incurred Liability Claims line item #52-11-00-4749 (**Human Resources**)

Ordinance - amending the City of Reading Codified Ordinances Chapter 1 Administration and Government, Part 1 Administrative Code, Section 1-185 – 9 C Annual Budget – Budget Organization and Content (**Council Staff**)

Ordinance - amending The Codified Ordinances Of The City Of Reading Chapter 1 – Section 1-186, 3, G by adding a new (3) requiring Council approval for all expenditures made from any and all Agency Funds and any and all line items and allocations made in the “Department: Non-Departmental” area of the General Fund Budget (**Council President Spencer**)

Ordinance - amending the City of Reading organizational chart as follows: adding the Division of Codes Services to the Department of Police; adding the Divisions of Information and Technology and Call Center to the Department of Finance; adding the Division of Zoning and Trades to the Department of Community Development; eliminating the Office of Neighborhood Development under the Managing Director (**Managing Director**)

Ordinance - amending the City of Reading Code of Ordinances Chapter 27 Zoning by creating a new section in Part 11 Additional Requirements for Specific Uses of Zoning Districts by placing requirements for the rental of single family homes in areas zoned R-1, R-1a and R-2 and amending the definitions section (**Council Staff**)

Ordinance –amending the Sidewalk Vendor Ordinance by increasing the size of the Downtown Area in which sidewalk vendors can operate, increasing the number of sidewalk vendors who can operate in the Downtown Improvement District and incorporating State Regulations.

RESOLUTIONS

Resolution 1-2009 - A resolution amendment for Resolution No. 103-2008 to authorize the City of Reading to submit a Redevelopment Assistance Capital Program application with an additional \$2,000,000,000.00 for the total of \$7,000,000,000.00 for the Construction of a new science center at Albright College

Resolution 2-2009 - In accordance with the above cited Municipal Records Manual, hereby authorizes the disposition of the following public records

Resolution 3-2009 - In accordance with City of Reading Records Retention Policy and Document Retention Schedule, hereby authorizes the disposition of the following public records: City Clerk’s Office 2001 – Financial Interest Statements

Resolution 4-2009 – That Patrol Officer Kelly Kerr is promoted to the rank of Sergeant in the Reading Police Department

Councilor Baez moved, seconded by Councilor Goodman-Hinnershitz to adopt Resolution 4-2009.

President Spencer announced that the swearing in ceremony for Officer Kerr is scheduled for February 13th at 2pm.

Resolution 4-2008 was adopted by the following vote:

Yea- Baez, Fuhs, Goodman-Hinnershitz, Sterner, Spencer – President-5

Nay- None - 0

COUNCIL COMMENT

Councilor Fuhs noted the Greater Reding Chamber of Commerce project to seek new candidates to run for Council President and the first 4th and 5th Council District seats. He stated that additional information on the dues of a Council member can be obtained through the Council Office. Parties interested in running for one of the Council seats should contact Ellen Harran, Executive Director of the Chamber.

Councilor Fuhs noted the misconception of delays in the PRD process. He noted the past push by the Giannasca's and the Administration to have Council approve a flawed Master Development Agreement before it had proper legal review. He noted that Council's delay in approving the Master Development Agreement provided an opportunity for the document to be reviewed. The lawyer revealing the Master Development Agreement stated that the document should not be approved due to its many flaws.

Councilor Fuhs noted that although Council staff mailed notifications to all registered property owners through first class mail some did not receive the notification. He also stated that some members of Council believe that notification to a wider audience is necessary. He stated that a second public hearing is needed because the perimeter of the PRD area was not posted. He stated that Council staff will schedule a hearing as quickly as possible.

Councilor Sterner questioned the Administration's judgment as they pushed the PRD Ordinance before the body of Council, during the budget cycle. He agreed with the need to seek broader public participation but noted the historical lack of public participation at past hearing covering a variety of issues.

Councilor Goodman-Hinnershitz noted the steps required by the State and PC for zoning amendments must be followed. She expressed her hope that the second hearing will see increased public participation. She asked the Administration to assist the City Clerk with scheduling the second hearing to expedite matters.

Councilor Goodman-Hinnershitz stated that the Martin Luther King Jr. Holiday is a day of service. She noted the importance of involving youth in service inspired by this Holiday.

Councilor Goodman-Hinnershitz noted the availability of the Pagoda Book in the Mayor's Office for \$20.00 proceeds from book sales go back into the Pagoda Project.

Councilor Baez announced the upcoming Dare to Care meeting on Thursday June 15th at 5:30 pm at the Bethel AME Church. She also announced the upstart of a new community group in the St. Mark's United Church of Christ neighborhood.

Council President Spencer stated that due to the lack of posting the perimeter of the PRD area a second public hearing is needed. He noted that if proper procedure is not followed the City is open to legal challenges on procedure.

Council President Spencer reviewed the upcoming meeting schedule.

Linda Kelleher, City Clerk

**CITY COUNCIL MEETING
MONDAY, JANUARY 26, 2009**

A regular meeting of City Council was held on the above date for the transaction of general business.

Vaughn D. Spencer, President of Council, called the meeting to order.

The invocation was given by Pastor Mohamid Sala from the Islamic Center of Reading.

All present pledged to the flag.

ATTENDANCE

Council President Spencer
Councilor Fuhs, District 1
Councilor Goodman-Hinnershitz, District 2
Councilor Sterner, District 3
Councilor Marmarou, District 4
Councilor Baez, District 5
Councilor Waltman, District 6
Mayor T. McMahon
City Auditor D. Cituk
City Solicitor C. Younger
City Clerk L. Kelleher
Sgt at Arms Capt R. Shafer
Managing Director Hottenstein
Fire Chief W. Rehr
Police Chief W. Heim
Deputy Fire Chiefs
IAFF President Firefighter Keith Eschleman

PROCLAMATIONS AND PRESENTATIONS

A Mayoral Proclamation was issued in recognition of the book drive for Greater Reading's Cops 'N Kids program, accepted by Julie Blatt and Nicole Crystal of Barnes and Noble Booksellers, Wyomissing

STATE OF THE CITY ADDRESS

Mayor McMahon gave the State of the City address, summarizing the Administration's 2008 accomplishments. A copy of the address is attached.

PUBLIC COMMENT

Council President Spencer announced that 3 citizens were registered to address Council on non-agenda matters. He inquired if Council objected to suspending the rule requiring comment on non-agenda matters at the end of the meeting. No one objected, therefore, the rule requiring non-agenda comment at the end of the meeting was suspended. Council President Spencer reminded those registered to speak about the remaining speaking rules.

Greg Knies, Vice-President of the Reading Public Library Board of Directors and a member of the Library's Board of Trustees, expressed the Library Board's opposition to the Administration's staff reductions totaling approximately \$100,000, representing 18.4% of the Library's budget. He stated that this reduction is much larger than that applied to other City Departments. He noted that the Managing Director announced that this is not the last of the cuts for the 2009 calendar year. He noted that the Reading Public Library is the County's district library. The inability of the library to meet State mandates will result in further funding reductions which will cause the collapse of the Reading Public Library. He reminded all that the Library is a valuable community resource that supports City and County residents.

Maryann Ciarlone, of North 5th Street, stated that she has not yet received the information she requested regarding Codes inspections. She stated that the Property Maintenance Code requires Codes staff to post the properties scheduled for inspection. She announced that she will come and request this information weekly. She stated that the Codes Office does not comply with the new State Right to Know requirements. She expressed the belief that the old adage "Don't Trust City Hall" has merit.

Gary Boyer, of Linden Street, described the quality of life problems that are caused by the tenants at 1416 Linden Street, who keep their 4 dogs (3 pit bulls and 1 Mastiff), penned outside, day and night. He stated that the dogs bark loudly and disrupt his sleep every night. He reported that he spoke with his neighbor about the problem but the neighbor has not cooperated. He requested the City's assistance.

APPROVAL OF AGENDA

Council President Spencer asked Council to consider the agenda for this meeting including the legislation listed under the consent agenda heading.

Councilor Sterner moved, seconded by Councilor Baez, to approve the agenda and the legislation listed under the Consent Agenda heading. The motion was approved unanimously.

CONSENT AGENDA

Resolution No. 5-2009 - authorizing the DCED application for \$5,000,000 from the Federal Neighborhood Stabilization Program to address the acquisition, demolition and/or rehabilitation of blighted and foreclosed properties (**CD Department**)

ADMINISTRATIVE REPORT

Due to the State of the City Address, a report was not issued.

AUDITOR'S REPORT

City Auditor Dave Cituk read the report distributed to Council at the meeting covering the following topics:

- Year end figures of the 2008 Admissions Fee
- Year end figures of the 2008 Transfer Tax

Councilor Sterner asked the Auditor what was budgeted for Transfer Tax revenue in the 2009 Budget. The Auditor stated that \$5,000,000 was budgeted for the Transfer Tax in the 2009 Budget.

ORDINANCES FOR FINAL PASSAGE

Bill No. 1-2009 - amending the Code of Ordinances of the City of Reading, Berks County, Pennsylvania, fee schedule, administrative fees, public record fees (**Council staff**) *Introduced at the January 12 regular meeting*

Councilor Waltman moved, seconded by Councilor Baez, to enact Bill No. 1-2009.

Bill 1-2009 was enacted by the following vote:

Yea: Baez, Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer President – 7.
Nay: None – 0.

Bill No. 2-2009 – authorizing the transfer of \$248,000 from the Self Insurance Fund Water/Sewer Main Break line item #52-11-00-4517 into the Incurred Liability Claims line item #52-11-00-4749 (**Human Resources**) *Introduced at the January 12 regular meeting*

Councilor Goodman-Hinnershitz moved, seconded by Councilor Baez, to enact Bill No. 2-2009.

Bill 2-2009 was enacted by the following vote:

Yea: Baez, Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer President – 7.

Nay: None – 0.

Bill No. 3-2009 - amending the City of Reading Codified Ordinances Chapter 1 Administration and Government, Part 1 Administrative Code, Section 1-185 – 9 C Annual Budget – Budget Organization and Content (**Council Pres Spencer**) *Introduced at the January 12 regular meeting*

Councilor Fuhs moved, seconded by Councilor Sterner, to enact Bill No. 3-2009.

Council President Spencer stated that this amendment will require the insertion of management salaries in the Full Time Position Ordinance. He stated that this will prevent the Administration from providing salary increases outside the standard parameters.

Bill 3-2009 was enacted by the following vote:

Yea: Baez, Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer President – 7.

Nay: None – 0.

Bill No. 4-2009 - amending The Codified Ordinances Of The City Of Reading Chapter 1 – Section 1-186, 3, G by adding a new (3) requiring Council approval for all expenditures made from any and all Agency Funds and any and all line items and allocations made in the “Department: Non-Departmental” area of the General Fund Budget (**Council President Spencer**) *Introduced at the January 12 regular meeting*

Councilor Waltman moved, seconded by Councilor Baez, to table Bill No. 4-2009.

Bill 4-2009 was tabled by the following vote:

Yea: Baez, Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer President – 6.

Nay: Fuhs - 1.

Bill No. 5-2009 - amending the City of Reading organizational chart as follows: adding the Division of Codes Services to the Department of Police; adding the Divisions of Information and Technology and Call Center to the Department of Finance; adding the Division of Zoning and Trades to the Department of Community Development; eliminating the Office of Neighborhood Development under the Managing Director (**Managing Director**) *Introduced at the January 12 regular meeting*

Councilor Marmarou moved, seconded by Councilor Sterner, to enact Bill No. 5-2009.

Bill 5-2009 was enacted by the following vote:

Yea: Baez, Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Waltman – 6.
Nay: Spencer President - 1

Bill No. 6-2009 – Amending the City of Reading Codified Ordinances Chapter 10 Part 17 Sidewalk Vendors (**Council Staff/Law**) *Referred to focus group in October 2008, focus group sessions completed 1-21-09; Introduced at the January 12 regular meeting*

Councilor Goodman-Hinnershitz moved, seconded by Councilor Marmarou, to enact Bill No. 6-2009.

Councilor Goodman-Hinnershitz expressed her belief in the process used to refine the proposed amendment to the Sidewalk Vendor Ordinance. She stated that numerous meetings were held with the affected vendors, other parties and City staff. She noted that the Sidewalk Vendor Ordinance does not apply to vendors operating on private property like a parking lot. Vendors operating on private property must apply for a zoning permit.

Council President Spencer also thanked City Staff - Codes representatives, Ms. Butler from the Solicitor's Office and Council staff - for their work to refine the ordinance and decipher the requirements for vendors operating on private property.

Bill 6-2009 was enacted by the following vote:

Yea: Baez, Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Waltman – 6.
Nay: Spencer President - 1

Pending
Advertisement and Public Hearing Required by MPC
Notice of Pending Ordinance Doctrine

Ordinance - to adopt an amendment to the Zoning Ordinance under the authority of the Pennsylvania Municipalities Planning Code, which adds a Planned Residential Development (PRD) overlay called the "RR Riverfront Redevelopment Overlay Zoning District" and to apply the new district to lands from the centerline of the Schuylkill River to areas to the east and northeast of the river, including areas generally south and southwest of Franklin St, along both sides of S. 2nd St. and Riverfront Dr., and along both sides of Canal Street including areas south of Laurel St., south of Willow St., west of S. 7th St. and north of South St. and as shown in more detail on the attached RR zoning overlay district map (**Solicitor**) *Introduced at the December 8 regular meeting; public hearing held January 8*

Ordinance - amending the City of Reading Code of Ordinances Chapter 27 Zoning by creating a new section in Part 11 Additional Requirements for Specific Uses of Zoning

Districts by placing requirements for the rental of single family homes in areas zoned R-1, R-1a and R-2 and amending the definitions section (**Council Staff**)

INTRODUCTION OF NEW ORDINANCES

Council President Spencer read the following Ordinances into the record:

Ordinance – increasing the salary of the Police Chief to \$108,957.13, a 4% increase, per annum retroactive to January 23, 2009 (**Managing Director**)

Ordinance – amending the full time position ordinance by creating the position of Gun Safety Coordinator in the Mayor’s Office (**Managing Director**)

RESOLUTIONS

Resolution 6-2009 – appointing Brian Bingaman to the Planning Commission (**Admin Oversight**)

Resolution No. 7-2009 – appointing Lori Knockstead to the Stadium Commission (**Admin Oversight**)

Resolution No. 8-2009 – appointing Robert Fegley to the Plumbing Board (**Admin Oversight**)

Resolution No. 9-2009 – appointing Henriette Alban to the Library Board of Trustees (**Admin Oversight**)

Resolution No. 10-2009 – appointing Raymond Schuenemann III to the Water Authority (**Admin Oversight**)

The Administrative Oversight Committee moved to adopt Resolutions 6 through 10-2009.

Councilor Marmarou noted the quality and skill of the individuals appointed tonight. He stated that Ms. Knockstead is the first female ever appointed to the Stadium Commission. He also noted the enthusiasm and commitment of all being appointed this evening.

Resolution 6 through 10-2009 were adopted by the following vote:

Yea: Baez, Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer President – 7.
Nay: None - 0.

COUNCIL COMMENT

Councilor Fuhs wished everyone a Happy Chinese New Year. He stated that this year is the year of the ox.

Councilor Fuhs also thanked the Mayor for the State of the City report. He extended an invitation to the City's three collective bargaining units to participate on the Blue Ribbon Panel and in budget discussions over the course of the year.

Councilor Fuhs announced the Reading LRA public meeting on the reuse of the Navy Marine Center on Wednesday, January 28th at 7 p.m. at the 7th Day Adventist Church. He encouraged all citizens to participate and provide input at this meeting. He also noted the upcoming second PRD Public Hearing scheduled for Wednesday, February 18th at 5 p.m. in Council Chambers. He stated that the second hearing is being properly advertised in accordance with the Pa MPC.

Councilor Fuhs also noted that Council District seats 1, 4, and 5 and the President of Council seat are up for election in 2009, along with various County row office seats and Reading School Board seats. He stressed the need for citizen participation in this election.

Councilor Baez stated that she and local artist Ed Terrell will appear on the In Your District program on Thursday, February 5th at 8 p.m. on the BCTV MAC Channel.

Councilor Baez also noted the upcoming town meeting in the Riverside area at the end of February.

Councilor Sterner noted the importance of the Reading Public Library in the Reading community. He noted the County's repeated refusal to increase their annual contribution negotiated in 2000. He questioned the County's interest in real regionalization as they will not consider increasing their contribution for this critical program.

Councilor Sterner announced the upcoming community meetings:

- Crime Watch meeting on Wednesday the 28th at 6:30 p.m. at 13th and Green
- St Marks Community Group meeting on Wednesday the 28th at 6:30 p.m.

Councilor Marmarou requested that the Police Department assist Mr. Boyer's quality of life problems with the tenant at 1416 Linden Street. He stated that he would visit the property and provide a report.

Councilor Goodman-Hinnershitz noted the difficulties all operations have experienced due to the required budget reductions. She agreed that the County should increase their contribution to the Library's operations, as the amount negotiated almost 10 years ago was a minimum. She noted the important core services provided by the Library system.

Councilor Goodman-Hinnershitz agreed that Reading residents should consider running for the various positions up for election in the coming months. She also noted that citizens can volunteer to serve on the City's Boards, Authorities and Commissions.

Councilor Waltman thanked the Mayor for the State of the City report. He noted the various impact on several City departments and the need for all to work to define the City's core services.

Councilor Waltman noted his surprise when he learned that the Administration will fine those who warm up their vehicles and do not stay with their vehicle. He expressed hope the police officers will use a great deal of discretion before issuing a citation for this infraction, especially during cold weather months.

Councilor Waltman stated that it seems that City Council is usually targeted and blamed for some failings of the City and some policy agreements with the Administration. He noted Councils' continued work to find compromise. He noted his hope that before publicly criticizing City Council, people will discuss their concerns with Councilors.

Council President Spencer inquired if the Administration instructed the Library to reduce expenses by 18.4%. Mr. Hottenstein did not respond. Mr. Knies, from the audience, affirmed. Council President Spencer inquired if the Director of the Library was consulted before these cuts were made. Mr. Kasproicz stated that he was told to prepare a reduction plan for 4% and 8%. He stated that cutting one full time position represents 10% of the Library's budget. The second reduction made by the Administration increases the reduction percentage to almost 20%.

Council President Spencer inquired why Ms. Ciarlone's request for information was ignored. Mr. Hottenstein explained the procedure.

Council President Spencer inquired if dog barking is included in either the Noise Ordinance of the Animal Control Ordinance. Captain Shafer stated that research is required.

Council President Spencer reviewed the upcoming meeting schedule.

Councilor Marmarou moved, seconded by Councilor Fuhs, to adjourn the regular meeting of Council.

Linda Kelleher
City Clerk

**Office Of The Mayor
Thomas M. McMahon**

**State of the City Report
January 26, 2009**

Good evening. I want to thank City Council for delaying their meeting tonight so I can share with you the state of the City of Reading as we enter 2009.

As we begin, there are many people to thank: City workers, many of whom have served this City well for decades; the Managing Director, Directors and Department Heads and their staffs for helping organize the financial information; County Commissioners, State and Federal officials, the business community, and everyone in the City and beyond who has an interest in seeing that the City of Reading stays viable. I also want to thank City Council for their hard work to analyze the financial situation, offer ideas, and work with the administration.

It takes a team to run a city, and I am proud of our workers, who often do not get recognized for they work they do. Many people feel that public sector jobs are guaranteed for life and governments don't work to meet the bottom line.

Like the private sector though, Government must continue to operate with fewer resources and that may well be reflected in fewer positions in the future. Job vacancies are an opportunity to become more efficient with the remaining staff and each vacancy in the future will be examined to determine if replacement is necessary.

I am not going to sugar coat this message. I will tell you about the progress we have made, the challenges we face, how we got to where we are, and what I think we will need to do in the short and long term to regain our financial footing.

Reading is not an island, it is the core of the community and as such it cannot be neglected.

If Reading fails, Greater Reading fails, and we all will have failed. It is that simple. But for some people it is a hard notion to accept.

I am committed to do everything I can to ensure that does not happen but I cannot do it alone. I need the help of everyone I thanked above to help make the changes we need to become a sustained viable city.

Over the past 262 years, the City of Reading has seen and survived many challenges. From the demise of the coal transport business, locomotive and automobile manufacturing, knitting mills, to the more recent high tech industries, we have seen many of them rise, prosper, then fade away.

We, along with many other communities, have been left with jobs that don't pay as well, which makes it harder to survive as families and as viable municipalities.

But in Reading and Greater Reading we are still innovative, we have great educational resources, a competent work force, great location, and excellent quality of life.

While we celebrate our past, we are encumbered by it as well. Multiple and overlapping governments, school districts, police forces, fire departments and fire stations, water and sewer plants, and all cost taxpayers more than is necessary. I believe consolidation or greatly increased regional cooperation is essential, but we all know that change does not come easily to our area.

Necessity is the mother of invention and we are now in the necessity phase.

Let me turn now to some good news, to what we have accomplished over the past year, and what you will see in the coming year.

Public Safety Progress in 2008

We've made great progress in public safety over the past five years, a trend I'm proud to announce continued in 2008. We will continue and expand our efforts to create a safe city for citizens and visitors alike.

Over the past two years the good news is that we have had nearly 50% reduction in the number of homicides. The number of people shot has been on a downward trend.

Our vehicle thefts are down thanks to our Auto Theft Task Force, the help of the PA Auto Theft Prevention Authority, and the District Attorney's office.

The VIPER detail in the Police Department, with the support of patrol officers, criminal investigators, and senior staff, are coordinating efforts very well.

Overall, our Part 1 crime (serious category) has declined by 16%;

The Police Department investigated and successfully prosecuted several high profile murder cases, including the killing of McDonald's employee Shawnee Koch, and the in-the-line-of-duty murder of Officer Scott Wertz, for which the death penalty was imposed on Cletus Rivera.

Twenty-two cameras are now operational in the downtown area to help interdict crime and to document evidence for the courts when a crime occurs. More will be deployed in other locations throughout the city. Several arrests have already been made by having the cameras.

The Canine Corps is in street training now to help the safety of our law enforcement personnel and to assist in drug enforcement actions.

Chief Heim has become well-versed in the subject of crime prevention through environmental design, and is willing to address any neighborhood, church or service group about how you can better protect yourself.

On January 14, 2009, the Reading Eagle printed two stories on how to protect your home. Links to those articles can be found at the end of this report.

In 2009, using Drug Forfeiture funds, the police will institute high visibility patrols, drug investigations, and quality of life enforcement details in crime- challenged neighborhoods.

We will also be launching the "Opportunity for Change" program, modeled after a similar successful project in High Point, NC, and other cities to combat juvenile crime and reduce gang activity.

With the reorganization of the property maintenance inspector functions of Codes to the Police Department, the team of police and codes will be stepping up their investigations into problem properties in the city.

In 2009, I have asked the PMI/Police team to create a vastly improved information system regarding the rental property inspections, including streamlining the procedures for regulating rental housing, and addressing neighborhood trash, weeds, and other quality of life violations.

Our employees in the Codes Department are reorganizing the rental permit process and will be making regular monthly reports on the progress. As of January 15, 2009, approximately 1,200 housing permits were approved, 1,916 were waiting on zoning permits, 1,140 did not supply all required information, 6,887 permit applications were mailed to rental property owners, 6,203 are currently in the process, and 684 have chosen not to enter the process.

Speaking of housing, we encourage responsible real estate investors to invest responsibly and to make the City a good place to find decent, safe and secure housing.

At the same time we will work with the Our City Reading organization, with Habitat for Humanity, NHS, and other groups to help people understand the value of being a homeowner instead of renter. Owning a home is a commitment to a stable neighborhood. Youth with stability and roots are better able to resist the temptations of gangs and drugs, which often come with excessive mobility.

Public Works Department (Click For Info)

Public Works Department has been busy maintaining our roads, our parks, our playgrounds, our city office facilities, operating the waste water plant, and getting ready for the major upgrade at the sewer plant.

Economic Development Department

We continue to work with the Berks Economic Partnership, The Greater Reading Chamber of Commerce and Industry, Greater Berks Development Fund, County Community Development, developers, and other officials to help promote new jobs and to retain existing jobs.

You have seen development of the Buttonwood Gateway industrial area, with the addition of the Sun Rich Food facility, the construction of the new Hydrojet Building, and the continuing joint efforts with the county to address residential slum and blight in the area.

Just a few blocks away we saw the opening of the IMAX/Reading Movies 11, plus the completion of the new parking garage at Second and Washington Streets, and the new lighting in the Entertainment Square area.

Among private development projects are the new Berks County Community Foundation headquarters on North Third Street, (the first designed “from beginning LEED certified” building in the county), and the new Reading Eagle Press building that is nearing completion.

On Mt. Penn, we celebrated the 100th Anniversary of the Pagoda with new energy efficient LED lighting and much needed renovations to the building so that future generations will be able to enjoy this unique treasure.

The non-profit development group Our City Reading continued to renovate homes from HUD foreclosures, and is planning the new hotel on Penn Street with projected ground breaking this Spring.

[Community Development Department](#) (Click For Info)

[Fire and Emergency Services](#) (Click For Info)

Financial Situation

Over the past year, we held about two dozen meetings with neighborhood groups, the business community and with City Council. We outlined an impending crisis that needed action and we outlined four steps needed to be done as part of our commitment to the future of Reading.

We showed how the cost of public safety is escalating rapidly.

We showed a plan of action that had to be done.

We deposited the \$4,000,000 from the sale of Antietam Lake into the General Fund. We agreed that the proceeds from the sale of public use property like Antietam should be returned to improve public use facilities and floated a long term bond for the Pagoda, City Park Improvements and the Angelica Environmental Center.

We refinanced the City's debt to lower expenses incurred by the general fund (\$4,000,000) and asked the parking authority for a cash payment (\$4,000,000) for a positive swing of \$8,000,000 to the general fund.

The deepening and continuing financial crisis has made it even more difficult to get more one-time bond transactions or to continue to deplete funds from organizations like the Reading Parking Authority.

Now you might ask... how did we get here?

The same things that impact every citizen impact us, but in addition we have greatly escalating costs of existing labor contracts including public safety, pension costs, fuel costs and health care costs.

How did we survive to this point? By completing a number of "once and done" transactions – for example, pension bonds, bond swaps, and refinancing of debt.

Most of these opportunities are gone now, swept away by the rising tide of debt and weak financial markets...

Early in the year, it appeared that a 50% property tax increase would be necessary to fill the gap for 2009, along with an increase in the Earned Income Tax of .2%.

After we made cuts in personnel and did not fill about thirty-three open positions, we determined in early October, 2008, that a 23% property tax along with .2% EIT increase would be necessary to not only balance the budget in 2009, but also to prepare us for what I call the elephant in the kitchen, the budget for 2010. It would be short-sighted not to face this directly.

We could not get consensus for these increases from City Council, who approved a 5% property tax increase that amounts to an additional \$25 per year for a home assessed at \$50,000, and no increase in EIT. A .2% increase in EIT would bring in about \$1,900,000.

The 5% increase in property tax will bring in only about \$750,000 to the city this year, versus the \$5,000,000 that we suggested was needed for 2009 and to prepare for 2010.

Nevertheless, moving forward with these restrictions, we have now begun to implement \$2,000,000 in cost reductions as of today.

Reductions in expenses will be made in all departments. All reductions have been discussed and debated with Department Directors in a roundtable discussion to an effort to make cuts that have the least impact on City operations. Reductions include personnel and operating expenses. The most difficult reductions in expenses involved the elimination of jobs.

Today we began the process of cost reduction:

- Today we informed the AFSCME union of our intent to outsource the division of traffic engineering thereby eliminating two jobs. We plan to implement that outsourcing in sixty days.
- We eliminated one manager in Community Development
- We eliminated two positions in the Library and one in Finance.
- We are not filling any vacancies in Fire, and are delaying hires in Police.
- With these positions and the vacant positions eliminated in 2008, we will have reduced City workforce by almost fifty in the last twelve months.
- I have frozen management salaries, except for those covered by contract, for a projected savings of \$77,000.
- All conferences and training not stipulated by contract or deemed essential have

been eliminated.

- We will be delaying acquiring equipment in Fire and Public Works for a savings of \$400,000.
- We will be eliminating temporary wages in Finance, Human Resources, Law and Public Works for a savings of \$106,000. This includes the elimination of the Park Security Program.
- My office and the Managing Director's office will be making various reductions of \$30,000.
- Total reductions for 2009 are \$2,019,335.

This "financial pandemic" hurts citizens as well as cities, but it pushes us to do business in a different way. The old ways of doing business will not alleviate the pain of this pandemic.

Over the past ten years, the percent of property tax used to fund Reading municipal government has dropped from 40% to less than 20%.

Property and Earned Income taxes are not keeping up with our costs. Let me show you some charts that show this graphically. (The charts follow this report.)

This means that we have had to fill in the gap with one-time fixes, or with raising the rates on things like real estate transfer tax, now the highest in the state, depending on the parking authority and water authority for additional funds, raising fees for permits, imposing new taxes, etc.

The natural growth for our city government has been about 5% over the last several years and with labor costs being about \$55,000,000 of the total \$70,000,000 budget.

On top of these challenges, we also face health care costs that are going out of sight, and there is the possibility of the city having to contribute an extra \$3,000,000 into the pension funds that already take about \$6,000,000 per year from our general fund as part of personnel costs.

At the same time, and in an unsteady financial climate, we are faced with trying to raise several hundred million dollars for the mandated renovation of the sewer plant and collection/pumping system.

So after all this, what can we do?

Following the pattern of city cooperation that got us a Route 222 Corridor Anti-Gang grant from the United States Department of Justice, I asked my fellow mayors in Easton, Bethlehem, Lancaster, and York to join the City of Reading to help focus attention on the financial plight of our peer cities which are experiencing similar challenges.

This resulted in a joint project with the Pennsylvania League of Cities and Municipalities, the Pennsylvania Economy League, and the Pennsylvania Department of Community and Economic Development, in a joint financial and comparative analysis of the five representative third class cities.

That study is now nearly completed and we plan to use the results to inform the public and elected officials about what needs to be done at the state and federal level, since each of us is at the same precipice, some closer to the edge than others, Reading being one of the closest.

The worst case scenario could show us entering the year 2010 with a projected deficit of close to \$13,500,000 on a \$72,000,000 budget.

Note that we are not able to keep up with the normal 4-5% growth, and remember that the one-time fixes may not be so available to us in the future as they were in the past.

Another potential damaging financial impact is that over the last several months, the value of our pension funds has plummeted, just as the portfolios of many of you.

The difference is that by law, cities are required to fund the unfunded portion of the assets in the pension funds. That means in our case, about an extra \$3,000,000 in 2009 over and above the \$6,000,000 per year that we already put in.

An actuarial study will be done soon that will confirm the figure based on the number of retirees on the pension plan, their life expectancy, and the fund assets.

In 2009 we will also be wiping out completely the fund balance being carried into this year.

Since most of our costs are labor (presently \$55,000,000 out of \$70,000,000, or 78%), a deficit of \$13,500,000 could mean as many as one hundred and fifty layoffs. This would most likely not take many essential employees in the water and sewer plants and represents one-third of the remaining city employees which today total about four hundred and fifty.

Police alone make up a staff of about two hundred and thirty including one hundred and ninety-eight officers, and to remove a large number of patrol officers from the street would be a potential disaster for the city.

State Level Action

Over the next several months, mayors from across the state will be petitioning the state for pension contribution relief. This in no way would jeopardize existing pensions or pensions over the next several years, only to ask for relief from what is known as the MMO, or minimum municipal obligation.

Another option being looked at is the possibility of the state passing enabling legislation to allow local municipalities to enact a local option one percent sales tax.

This would be similar to what is already in place and is successful in Pittsburgh and Philadelphia, but it needs a referendum in the counties and the process will take time.

Another real possibility is for us to apply for Act 47 “distressed city” relief at the state level. We are already enrolled in and have the support of a program from the state.

That is called the Early Intervention Program, essentially a prelude to Act 47. A list of the cities and municipalities in either Act 47 or in the Early Intervention Program is at the end of this report.

The first phase of the EIP for Reading (jointly with Berks County) consisted of a study to determine the financial condition and make recommendations for the City Finance Department and Police Department.

The second phase now under way is a “fines and fees” study, and a draft has been presented to City Council. We anticipate presenting the final study to City Council by the end of February with recommendations of fees to be enacted by the end of the first quarter.

Their recommendations mirrored many of the recommendations of two reports from the Pennsylvania Economy League, some of which were accomplished and many of which were not done by City Council and City Administration.

Local Options and Discussions

Over the next several months we plan to discuss options with the county and with private firms to take over non-core operations of the City, such as library and recreation and to see what other financial tools can be used to fill the deficit looming on the horizon.

One analysis has already been done by the Reading Parking Authority on a long term sale lease back arrangement. That will be studied carefully to see if the benefit outweighs the costs.

Similarly, regarding water and sewer, I will be asking the county commissioners to study a county-wide water and sewer system, which could be an authority run by the county, marketed widely to each municipality, with financial incentives to encourage them to join a single county-wide consolidated water/sewer system.

With the majority of system owned by the City of Reading, there could be initial infusion of cash to the City plus a long term payout on an annual basis to the City to recognize the investment we have made over the years, but essentially this would become a county system.

Unfortunately, all of these will take time to study from a technical and financial point of view, and there has to be incentives for everyone to make it work.

We will be asking the “not for profit” institutions in our City for additional financial help from them using as a model what is happening in other cities where many such institutions have stepped up their financial support.

At the federal level, we will work with other municipalities to get funding for the COPS program restored and for an increase in CDBG funds.

So in summary, we have made progress in most areas of public safety, but we have challenges we must face.

Our economic development is moving along strongly, and in addition to the hotel planned for 7th and Penn, I am optimistic that we will be able to have a developer invest in the area along the river to make this a more attractive and happening place.

We are also hopeful that the Obama administration will assist cities with a substantial increase in Community Development Block grant funds so we can take some of the pressure off the general fund, especially in the area of public safety, public works and recreation.

We need to eliminate overlapping services, to cooperate locally and to remove barriers to progress.

I ask everyone to be part of the solution. Get an understanding of the problems, volunteer for boards, authorities and commissions, run for public office, study the issues, and support our efforts to build a better community for future generations.

I am confident that just as our forefathers overcame major challenges over the past 262 years, we will do so as well.

Thanks to all of you for your interest and support of this great city as we work our way through this financial turmoil.

Thomas M. McMahon
Mayor of the City of Reading
January 26, 2009

References:

Links to Reading Eagle Articles Jan 14, 2009 on Home Security Systems (courtesy of Reading Eagle Company at www.readingeagle.com):

- 1) Keeping Your Home Secure <http://readingeagle.com/article.aspx?id=121167>
- 2) High Tech Systems are Always on Guard
<http://readingeagle.com/article.aspx?id=121164>

Public Works

2008 Accomplishments

- Pagoda rehabilitation
- Duryea Drive guardrail installation
- Playground rehabilitations (City Park, Brookline, Hillside)
- Certification for all Supervisors and Managers at the Waste Water Treatment Plant
- Converted boilers and heaters at the Waste Water Treatment Plant to burn bio-gas (byproduct of treatment process) to reduce fuel costs

2009 Projects

- City Park Bandshell and Pond renovations
- Playground rehabilitations (Essick, 3rd & Spring, Baer, Northmont)
- Complete Waste Water Treatment Plant design
- Groundbreaking for the Utility, Laboratory, and Sewer Building
- Complete study for the development of a storm water utility

For more information contact the Director of Public Works Charles Jones at 610-655-6610 or charles.Jjones@readingpa.org

Community Development

2008 and 2009 Projects

City Park - Improvements include natural and man made elements such as trees, retaining walls, berms, swales, grading, fencing, lighting, and other recreational amenities.

Northmont Playground - Installation of new playground apparatus, safety surface, site furnishings, ball field backstop, fencing, and ADA accessibility improvements.

Handicap Ramps – The installation of 81 more handicap ramps will be done throughout the city for better availability/accessibility.

Code Enforcement - Inspection for code violations and enforcement of codes in deteriorating or deteriorated areas. (62,082 people reside in the “service” area).

Community Policing - Program using a non-traditional community policing style in three select areas of the City.

Human Relations Commission – Fair housing education and enforcement in order to increase the amount of decent housing.

Millmont RAFT - Public service funding for City Recreation's RAFT Program. RAFT is a program for children and teens ages seven through 18.

Olivet - provide recreation services, drug, alcohol, and violence prevention programs, employment training, and social programs.

RBI Organizers - RBI is a Not-for-Profit organization whose mission is to create a cleaner, safer, more vibrant community through education, empowerment and neighborhood organizing.

Recreation NEAR - The City Recreation Office's Neighborhood Educational, Activity and Recreation Center (N.E.A.R.) Program is a structured educational and mentorship program offered to children and teens ages six through 17.

NHS home ownership assistance – provides down payment and closing costs assistance to low mod income home buyers.

NHS Major System Program - Funding for elderly persons who own and occupy homes in need of major systems repair or replacement in order to achieve compliance with housing code for the repair or replacement of heating, plumbing, and/or electrical systems or roofs.

Residential Façade Improvements - Restoration of building facades to HARB standards. The objective is decent housing. The outcome is availability/accessibility. The indicator is 10 housing units.

NHS CHDO Set Aside (HOME funded) - Acquisition, rehabilitation, and resale of housing units to low moderate income households. (1 unit)

Habitat For Humanity (HOME funded) - Acquisition of property to build new housing units for low moderate income households. (4 units)

Reading Revitalization (HOME funded) - Acquisition, rehabilitation, and resale of housing units to low moderate income households. (22 units)

Opportunity House Operations (ESG funded) - Provide essential services to homeless individuals, families, and operating costs of the emergency shelter facility.

Emergency Demolition - Emergency demolitions ordered by City Building Inspector.

Goggle Works 108 loan payment – The 108 loan requires the creation of 123 jobs.

Hydrojet 108 loan payment - The 108 loan requires the creation of 63 jobs.

KVP 108 loan payment - The 108 loan requires the creation of 200 jobs.

Reading's Future 108 loan payment - Requires the creation of 150 jobs.

Sun Rich 108 loan payment - The 108 loan requires the creation of 83 jobs.

Main Street Program - The City of Reading working in conjunction with the Reading Downtown Improvement District (DID) and the Berks Economic Partnership decided to use the Main Street Approach and pursue a Main Street Grant from the Commonwealth.

Neighborhood Stabilization Program - The City is applying for NSP funding (Neighborhood Stabilization Program) through the DCED in efforts to acquire, rehabilitate, and resale housing units within two specifically identified targeted areas in the City. The proposed funding will also go to the acquisition and demolition of abandoned and vacant units as well as possible environmental reviews and associated administrative costs.

Façade Improvement Program - in 2008 there were 6 commercial façade projects completed or underway during the year (including the Liberty Fire Company's Façade Improvement project) and 7 residential façade projects completed or underway

Buildings and Trades – seamless transition and integration of building and trades division and zoning office into CD department. Buildings and trades are fully certified through ICC and L&I to take care of residential, commercial and industrial project inspections work in the city of Reading.

Provide Inspection and Enforcement – support to Blighted Property Review Committee to address blight abatement in the city of Reading.

Zoning and Planning Historical Preservation – Historical Architectural Review Board reviewed 108 cases last year. Goal for 2009 is to complete the development and enact a Satellite Dish Ordinance in order to control the proliferation of satellite dishes being installed on the front facades of buildings within the four historic districts.

Housing

- Preservation of the existing affordable housing stock.
- Development of affordable housing, especially with non-profit organizations.
- Increase homeownership for lower income households through homebuyer assistance and new construction.
- The development of rental housing. In the City of Reading, rental housing development will be limited to elderly and special needs.
- Continued modernization of public housing units and development of resident services.

Homeless

- Increase permanent supportive housing and services for homeless and special needs populations.
- Improve coordination and communication among homeless and supportive service providers
- Work toward ending chronic homelessness

Non-Housing Community Development Priorities

- Provide financial support for public services that meet identifiable community needs.
- Provide financial assistance and technical support for public facility and infrastructure improvements.
- Foster local economic development and downtown revitalization.

(For more information contact the Community Development Director, Marty Mayes at 610-655-6211 or marty.mayes@readingpa.org)

Human Resources

2008 Accomplishments:

- Update of obsolete employee handbook (handbook was from the 1970s)
- Preparation and presentation on Harrassment
- Preparation and presentation of Diversity
- Developed Training Plan for all Departments
- Continue to Develop and Implement HPO Process

HR 2009 Goals:

- Implement Customer Service Training
- Implement Ethics Training
- Continue to Develop and Implement HPO Process in the City of Reading
- Continue with the City's Diversity Efforts and develop our Affirmative Action Plan
- Continue with Safety Awareness Efforts, Committees, and Training

(For more information contact the HR Director, Christine Wheelen at 610-655-6416 or christine.wheelen@readingpa.org)

Fire Safety and EMS Services

Past Year 2008

- There were no civilian fire fatalities in the City of Reading
- The Department received five new pumper engines
- An additional fire prevention lieutenant was promoted, which almost doubled fire inspections and investigation and their corresponding fees and permit revenue.
- EMS revenue was \$3.14 million.
- An entry-level civil service test for new firefighters (to replace vacancies) drew more than 400 applicants.

Goals for 2009

- Prevent fire fatalities and reduce civilian injuries.
 - Reduce the number of fires by 10%.
 - Increase EMS revenue by 10% (\$300,000)
 - Increase fire prevention permit and fee revenue by 10% (\$25,000)
 - Begin construction of the new Southwest Fire Station at 101 Lancaster Ave. in November.
-

Early Intervention and Act 47 Municipalities

Early Intervention Program

FY 04-05

Lawrence County
Luzerne County
Venango County/Oil City/Titusville (Joint Project)
Easton City
Allentown City
Butler City
Nanticoke City – Now Act 47 municipality
New Castle City – Now Act 47 municipality
York City

Reading City/Berks County (Joint Project)
Erie City

FY 05-06

Jefferson County
Lehigh County
Lebanon City
Sharon City
Meadville City
Beaver Falls City
Washington City
Penn Hills
Ambridge Borough
Dormont Borough
Midland Borough

FY 06-07

Cameron County
Washington County
Clarion Borough
Clearfield Borough
Connellsville City
Lancaster City
Hanover Township
Elizabeth Borough
Allentown City – Phase 2
Butler City – Phase 2
Titusville City – Phase 2
York City – Phase 2
Easton City – Phase 2
Sharon City – Phase 2
Penn Hills – Phase 2

FY 07-08

Altoona City
Coatesville City
Norristown Borough
Plains Township
Sunbury City
Coopersburg Borough

Muhlenberg Township
Shamokin City
Blair County
Harrisburg City
Rochester Borough
Adams County
Potter County

FY 08- 09 to date

Pottstown Borough
McKeesport City
Reading City – Phase 2
York City – Phase 2
Shamokin City – Phase 2
Erie City – Phase 2
Jefferson County – Phase 2
Sharon City – Phase 2

RESOLUTION NO. _____

FOR THE UPGRADE OF STREET LIGHTS

WHEREAS, a contract was entered into by the City of Reading and Metropolitan Edison Company (hereinafter Met-Ed), whereby said Company shall furnish lighting; and

WHEREAS, it is necessary and proper that additional lighting should be installed and maintained for the service, accommodation, convenience and safety of the public;

NOW, THEREFORE, BE IT RESOLVED, that the City of Reading pursuant to the provisions and terms of the Company's applicable Rate Schedules and Riders, and the rules and regulations now on file and such rules and regulations, Rate Schedules and Riders hereafter filed from time to time and in effect with the Pennsylvania Public Utility Commission (hereinafter Tariff), do hereby order and direct Met-Ed to furnish additional lighting consisting of:

Upgrade four (4), Company owned, 175-watt, mercury vapor, cobrahead, streetlights to 250-watt, high-pressure sodium vapor, luminaires. The street lights are located on 50891-36793, 50891-36784, 50891-36771, and pole 50891-36761, in the 400 block of South 7th Street, within the City. Met-Ed will continue to provide energy and total maintenance to these street lights.

Upgrade one (1), Company owned, 100-watt, sodium vapor, cobrahead, luminaire, to a 250-watt, high-pressure sodium vapor, luminaire. The light is located on pole 50891-36778 in front of 419 South 7th Street, within the City. Met-Ed will continue to provide energy and total maintenance to this street light.

Payment to be made to Metropolitan Edison Company for the additional lighting at the rates specified in the Tariff.

Resolution adopted the _____ day of _____, 2009.

By: _____
President of Council

Attest:

City Clerk

I, _____, City Clerk of the City of Reading, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted by the City at a meeting of said City duly called and held on the _____ day of _____, 2009.

Witness my hand and the seal of said City this _____ day of _____, 2009.

City Clerk

AGENDA MEMO

FINANCE DEPARTMENT

TO: City Council
FROM: Heather Dunkle, Purchasing Coordinator
PREPARED BY: Heather Dunkle, Purchasing Coordinator
MEETING DATE: February 9, 2009
AGENDA MEMO DATE: January 23, 2009
RECOMMENDED ACTION: Awarding of Contract for Cationic Polymer Flocculant for the City of Reading, on behalf of the Reading Area Water Authority.

RECOMMENDATION

The recommendation is to award the contract to Polydyne, Inc., One Chemical Plant Road, Riceboro, GA 31323 who is the low bidder, at a price of \$1.57/pound for approximately 60,000 pounds, for a total bid of \$94,200.00.

BACKGROUND

Bids for approximately 60,000 pounds of cationic polymer flocculant for use by the Reading Area Water Authority were received November 20, 2008.

A copy of the Schedule of Bids is attached for your review.

BUDGETARY IMPACT

The Water Authority has confirmed there are sufficient funds in budget account code 50-15-84-4513 for this contract.

PREVIOUS ACTION

None.

SUBSEQUENT ACTION

Formal action by Council is needed to award the contract at the February 9, 2009 meeting.

RECOMMENDED BY

Mayor, Managing Director, Reading Area Water Authority Executive Director, Acting Finance Director, and Purchasing Coordinator.

RECOMMENDED MOTION

Approve/Deny the recommendation to award the contract to Polydyne, Inc. for the purchase of cationic polymer flocculant.

cc: File

December 23, 2008

To the Mayor
City Hall
Reading, PA

The following bids were opened and scheduled, with a Contract to be awarded or the bids rejected.

BID NO. 12002-08 FOR APPROX. 60,000 POUNDS OF CATIONIC POLYMER FLOCCULANT C3230 OR APPROVED EQUAL FOR THE CITY OF READING, PENNSYLVANIA, ON BEHALF OF THE READING AREA WATER AUTHORITY.

<u>BIDDER</u>	<u>UNIT PRICE</u>	<u>TOTAL BID PRICE</u>
Polydyne Inc. One Chemical Plant Road Ricebor, GA 31323	\$1.57/lb (a)	\$94,200.00
George S. Coyne Chemical 3015 State Road Croydon, PA 19021-6997	\$2.1174/lb (b)	\$127,044.00

- (a) Clarifloc C-3230
- (b) Zetag 7557



AGENDA MEMO

FINANCE DEPARTMENT

TO: City Council
FROM: Heather Dunkle, Purchasing Coordinator
PREPARED BY: Heather Dunkle, Purchasing Coordinator
MEETING DATE: February 9, 2009
AGENDA MEMO DATE: January 23, 2009
RECOMMENDED ACTION: Awarding of Contract for Sodium Phosphate for the City of Reading, on behalf of the Reading Area Water Authority.

RECOMMENDATION

The recommendation is to award the contract to George S. Coyne Chemical Co., Inc., 3015 State Road, Croydon, PA 19021 who is the low bidder, at a price of \$8.22/gallon for approximately 20,000 gallons, for a total bid of \$164,400.00.

BACKGROUND

Bids for approximately 20,000 gallons of Sodium Phosphate for use by the Reading Area Water Authority were received November 20, 2008.

A copy of the Schedule of Bids is attached for your review.

BUDGETARY IMPACT

The Water Authority has confirmed there are sufficient funds in budget account code 50-15-84-4513 for this contract.

PREVIOUS ACTION

None.

SUBSEQUENT ACTION

Formal action by Council is needed to award the contract at the February 9, 2009 meeting.

RECOMMENDED BY

Mayor, Managing Director, Reading Area Water Authority Executive Director, Acting Finance Director, and Purchasing Coordinator.

RECOMMENDED MOTION

Approve/Deny the recommendation to award the contract to George S. Coyne Chemical Co., Inc. for the purchase of Sodium Phosphate.

cc: File

November 20, 2008

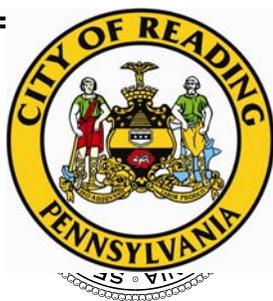
To the Mayor
City Hall
Reading, PA

The following bids were opened and scheduled, with a Contract to be awarded or the bids rejected.

BID NO. 11006-08 FOR APPROX. 20,000 GALLONS OF SODIUM PHOSPHATE FOR THE CITY OF READING, PENNSYLVANIA, ON BEHALF OF THE READING AREA WATER AUTHORITY

<u>BIDDER</u>	<u>UNIT PRICE</u>	<u>TOTAL BID PRICE</u>
George S. Coyne Chemical Co. Inc. 3015 State Road Croydon, PA 19021	\$8.22/gal	\$164,400.00
<u>Carus Phosphates, Inc.</u> 181 Woodlawn Avenue Belmont, NC 28012	<u>\$8.74/gal</u>	<u>\$174,800.00</u>

HEATHER L. DUNKLE
Purchasing Coordinator



AGENDA MEMO

FINANCE DEPARTMENT

TO: City Council
FROM: Heather Dunkle, Purchasing Coordinator
PREPARED BY: Heather Dunkle, Purchasing Coordinator
MEETING DATE: February 9, 2009
AGENDA MEMO DATE: January 23, 2009
RECOMMENDED ACTION: Awarding of Contract for Zinc Orthophosphate for the City of Reading, on behalf of the Reading Area Water Authority.

RECOMMENDATION

The recommendation is to award the contract to George Coyne Chemical, 3015 State Road, Croydon, PA 19021-6997, who is the low bidder, at a price of \$8.676/gallon for approximately 10,000 gallons, for a total bid of \$86,760.

BACKGROUND

Bids for approximately 10,000 gallons of Zinc Orthophosphate for use by the Reading Area Water Authority were received November 20, 2008.

A copy of the Schedule of Bids is attached for your review.

BUDGETARY IMPACT

The Water Authority has confirmed there are sufficient funds in budget account code 50-15-84-4513 for this contract.

PREVIOUS ACTION

None.

SUBSEQUENT ACTION

Formal action by Council is needed to award the contract at the February 9, 2009 meeting.

RECOMMENDED BY

Mayor, Managing Director, Reading Area Water Authority Executive Director, Acting Finance Director, and Purchasing Coordinator.

RECOMMENDED MOTION

Approve/Deny the recommendation to award the contract to George Coyne Chemical for the purchase of Zinc Orthophosphate.

cc: File

November 20, 2008

To the Mayor
City Hall
Reading, PA

The following bids were opened and scheduled, with a Contract to be awarded or the bids rejected.

BID NO. 11008-08 FOR APPROX. 10,000 GALLONS OF ZINC ORTHOPHOSPHATE, FOR THE CITY OF READING, PENNSYLVANIA, ON BEHALF OF THE READING AREA WATER AUTHORITY

<u>BIDDER</u>	<u>UNIT PRICE</u>	<u>EXTENDED PRICE</u>
<i><u>George S. Coyne Chemical</u></i> 3015 State Road Croydon, PA 19021	<i><u>\$8.676/gal</u></i>	<i><u>\$86,760.00</u></i>
Carus Phosphates, Inc. 181 Woodlawn Avenue Belmont, NC 28012	\$8.69/gal	\$86,900.00

HEATHER L. DUNKLE
Purchasing Coordinator

RESOLUTION NO. _____

THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS FOLLOWS:

Authorizing the submission of the attached PaDEP Grantee Agreement for Bushong Mill Dam, across the Tulpehocken Creek, upstream from the confluence with the Schuylkill River

Adopted by Council on this ____ day of February, 2009

President of Council

Attest:

Linda A. Kelleher
City Clerk

RESOLUTION NO. _____

WHEREAS, the City of Reading is desirous of obtaining funds from the Department of Community and Economic Development (DCED) in the amount of five hundred thousand dollars (\$500,000.00) for prevention and elimination of blight under Section 4 (c) of the Housing and Redevelopment Assistance Law, as amended; and

WHEREAS, the City of Reading has identified the Goggle Works Apartments project as a project for prevention and elimination of blight.

THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS FOLLOWS:

That the Mayor of the City of Reading is authorized to file an application for DCED funds in the amount of five hundred thousand dollars (\$500,000.00) for the "Goggle Works Apartments" project and to execute any and all necessary documents and to carry out all procedures as required by the Commonwealth of Pennsylvania. In addition, the City of Reading will: (1) assume the provision of the full local share of the project costs; and (2) reimburse the Commonwealth for the DCED's share of any expenditures found by DCED to be ineligible. The City Clerk is directed to execute a certificate attesting to the adoption of this Resolution and to furnish a copy to the DCED.

Adopted by Council _____, 2009

President of Council

Attest:

City Clerk

I, Linda Kelleher, duly qualified Secretary of the City of Reading, Berks County, Pennsylvania, hereby certify that the foregoing is a true and correct copy of a Resolution duly adopted by a majority vote of the City Council of Reading at a regular meeting held February 9, 2009 and said Resolution has been recorded in the Minutes of the City Council of Reading and remains in effect as of this date.

IN WITNESS THEREOF, I affix my hand and attach the seal of the City of Reading, this .
day of _____, 2009.

RESOLUTION NO. _____-2009

BE IT RESOLVED, that the City of Reading of Berks County hereby requests an H2O PA grant in an amount up to \$20,000,000 from the Commonwealth Financing Agency to be used for the Phase I – Complementary Activities Prerequisite to Fritz Island Waste Water Treatment Plant Upgrade Project.

BE IT FURTHER RESOLVED, that the City does hereby designate Ryan Hottenstein, Managing Director, as the official to execute all documents and agreements between the City of Reading and the Commonwealth Financing Authority to facilitate and assist in obtaining the requested grant.

Adopted by Council _____, 2009

President of Council

Attest:

City Clerk



AGENDA MEMO MANAGING DIRECTOR

TO: President Spencer and City Council

FROM: Ryan Hottenstein, Managing Director

MEETING DATE: January 26, 2009

AGENDA MEMO DATE: January 22, 2009

RECOMMENDED ACTION:

To approve an Ordinance presented by the Administration relating to the annual salary for William Heim, Police Chief, for the City of Reading.

RECOMMENDATION:

It is the recommendation of this Administration to increase the salary for the Police Chief to \$108,957.13, a four (4%) percent increase, effective January 23, 2009, the anniversary date of William Heim's appointment as the Police Chief for the City of Reading.

BACKGROUND:

Chief Heim is completing his third year consecutive with the city, in addition to his three years of prior service. He continues to meet or exceed expectations and merits this increase. The increase is linked to amount agreed to and approved with the Fraternal Order of Police, and is the amount stipulated in the police chief's contract. Chief Heim has made an impact beyond originally conceived when hired by the City in early 2006. He shows extraordinary ability to focus, devise a plan, and stick to it. He has taken on additional duties during the past year, such as preparing the police department's budget and preparing for the property maintenance inspection function to be placed in the police department.

Chief Heim continues to implement the crime reduction strategies that are proving successful. The past two years have seen major crimes drop significantly, with homicides decreasing almost 50% from the first part of this decade. Chief Heim has met the goal of involving more officers and supervisors in the crime plan, and the accountability and responsibility for results is being spread throughout the department.

BUDGETARY IMPACT:

The 4% increase amounts to \$4,190.65. Funds are available in the City's General Fund in the Police Department budget.

PREVIOUS ACTION:

Not applicable.

SUBSEQUENT ACTION:

Not applicable.

RECOMMENDED BY:

The Mayor and Managing Director

RECOMMENDED MOTION:

To increase the present salary of the Police Chief to \$108,957.13.

BILL NO. _____

AN ORDINANCE

AN ORDINANCE INCREASING THE SALARY OF THE POLICE CHIEF, WILLIAM M. HEIM, IN ACCORDANCE WITH SECTION 706. OF THE CITY OF READING HOME RULE CHARTER AND BILL NO. 22-2002 WHICH ESTABLISHED A PROCEDURE FOR CITY COUNCIL TO PROVIDE ANNUAL INCREASES TO THE CITY'S DEPARTMENT DIRECTORS.

WHEREAS, William M. Heim, was confirmed, by City Council, as the City's Police Chief on January 23, 2006; and

WHEREAS, City Council passed Bill No. 22-2002, on June 24, 2002, which states that a Department Director shall receive an annual salary adjustment based upon a performance evaluation; and

WHEREAS, William M. Heim, received a performance evaluation which is satisfactory, meeting motivational standards, he is entitled to a salary increase to \$108,957.13 (4% merit) effective January 23, 2009 based upon his employment contract.

THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS

SECTION 1. COMPENSATION.

The salary of the Police Chief, William M. Heim, shall be increased to \$108,957.13 per annum effective January 23, 2009.

SECTION 2. REPEALER.

All ordinances or parts of ordinances which are inconsistent herewith are hereby repealed.

SECTION 3. EFFECTIVE DATE.

This ordinance shall become effective 10 days after its adoption in accordance with Section 221 of the City of Reading Home Rule Charter.

Enacted _____, 2009

Attest:

President of Council

City Clerk

BILL NO. _____

AN ORDINANCE

**AN ORDINANCE AMENDING THE CITY OF READING FULL-TIME POSITION
ORDINANCE AS FOLLOWS:**

SECTION 1. In the Mayor's office, the position of Gun Safety Coordinator shall be created.

SECTION 2. This amendment to the Full-Time Position Ordinance will become effective in ten (10) days when approved in accordance with Section 221 of the City of Reading Home Rule Charter.

Enacted by Council _____, 2009

President of Council

Attest:

City Clerk

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

**BILL NO. ____ -2009
AN ORDINANCE**

AN ORDINANCE AMENDING THE CODIFIED ORDINANCES OF THE CITY OF READING CHAPTER 1 – SECTION 1-186, 3, G BY ADDING A NEW (3) REQUIRING COUNCIL APPROVAL FOR ALL EXPENDITURES OF \$50,000 OR MORE MADE FROM ANY AND ALL AGENCY FUNDS AND ANY AND ALL LINE ITEMS AND ALLOCATIONS OF \$50,000 OR MORE MADE IN THE “DEPARTMENT: NON-DEPARTMENTAL” AREA OF THE GENERAL FUND BUDGET.

THE CITY OF READING CITY COUNCIL HEREBY ORDAINS AS FOLLOWS:

SECTION 1. Amending the Codified Ordinances of the City of Reading Chapter 1, Section 1-186, 3, G by adding a new (3) shown below:

3. Regulations Concerning Appropriations and Transfers.

A. The authorization and expenditure of all funds and preparation of department budgets shall be in accordance with a policy adopted by the Council and a procedures manual to be prepared and periodically reviewed and updated by the Department of Finance. Expenditures shall be executed in a uniform manner for every City Department.

B. The Director of Finance shall prepare and submit a monthly report to the Mayor, the managing director, and Council. This monthly report shall include all expenditures for each City Department, and status reports comparing those expenditures with the adopted budget, as well as any Department justification of transfer of funds within departments and between departments.

C. In order to allow flexibility in the administration of the City's business, departments may transfer money between line items within the department. A majority of Council, in response to any monthly report, may place a limit on the amount of additional excess expenditure allowed for any program or line item. This is not intended to restrict unduly the Mayor's ability to manage and administer the budget.

D. Justification for transferring money between departments must be presented to and approved by Council. The procedures manual will stipulate the following:

- (1) Expenditure procedures.
- (2) Justification procedures for transferring money between line items.
- (3) Justification procedures for transferring money between department.
- (4) Administration of petty cash funds.

E. *Requiring an amendment to the City's annual Budget Ordinance authorizing the transfer of all monies including, but not limited to, transfers between departments, and transfers in and out of any City fund, account or line item either attached in part or unattached to a departmental budget. The request for a budget amendment must be submitted to City Council with an agenda memorandum explaining the justification for transfer and the proposed use for the funds transferred. [Ord. 36-2000]*

F. *Requiring an amendment to the City's annual Budget Ordinance to authorize any cumulative modification to any departmental overall budget or line item exceeds \$25,000. The request for a budget amendment must be submitted to City Council with an agenda memorandum explaining the justification for transfer and the proposed use for the funds transferred at least 2 weeks before the transfer is required. [Ord. 36-2000]*

G. Requiring City Council approval, via ordinance, for the following:

- (1) Salary increases that were not approved in or included in the budget for the fiscal year and fall outside the labor contract for union employees.
- (2) All expenditures not approved and listed in the operating or capital budgets for the fiscal year.
- (3) All expenditures and allocations of \$50,000 or more from and to any and all Agency Funds and any and all line-items falling in the Departmental: Non Departmental area of the General Fund.**

SECTION 2. This ordinance shall be effective ten (10) days after its adoption and approval by the Mayor, or re-passage by City Council over the Mayor's veto, in accordance with Section 219 of the City of Reading Home Rule Charter, or as set forth in Section 221 of the City of Reading Home Rule Charter.

BILL NO. _____-2008

AN ORDINANCE

AN ORDINANCE OF THE CITY OF READING TO ADOPT AN AMENDMENT TO THE ZONING ORDINANCE UNDER THE AUTHORITY OF THE PENNSYLVANIA MUNICIPALITIES PLANNING CODE, AS AMENDED, THE CITY COUNCIL OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA HEREBY ADOPTS THE FOLLOWING AMENDMENT TO THE ZONING ORDINANCE OF THE CITY OF READING TO CREATE A NEW RR RIVERFRONT REDEVELOPMENT OVERLAY ZONING DISTRICT AND TO APPLY THE NEW DISTRICT TO LANDS FROM THE CENTERLINE OF THE SCHUYLKILL RIVER TO AREAS TO THE EAST AND NORTHEAST OF THE RIVER, INCLUDING AREAS GENERALLY SOUTH AND SOUTHWEST OF FRANKLIN ST, ALONG BOTH SIDES OF S. 2ND ST. AND RIVERFRONT DR., AND ALONG BOTH SIDES OF CANAL STREET INCLUDING AREAS SOUTH OF LAUREL ST., SOUTH OF WILLOW ST., WEST OF S. 7TH ST. AND NORTH OF SOUTH ST. AND AS SHOWN IN MORE DETAIL ON THE ATTACHED RR ZONING OVERLAY DISTRICT MAP

THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:

SECTION 1. The Zoning Ordinance of the City of Reading is amended per attached Exhibit "A" to create a new RR Riverfront Redevelopment Overlay Zoning District and to apply the new district to lands from the centerline of the Schuylkill River to areas to the East and Northeast of the River, including areas generally South and Southwest of Franklin St, along both sides of S. 2nd St. and Riverfront Dr., and along both sides of Canal Street including areas South of Laurel St., South of Willow St., West of S. 7th St. and North of South St. and as shown in more detail on the attached RR Zoning Overlay District Map attached hereto as Exhibit "B."

SECTION 2. SEVERABILITY. It is hereby declared to be the legislative intent that if a court of competent jurisdiction declares any provisions of this Amendment to be invalid or ineffective in whole or in part, the effect of such decision shall be limited to those provisions which are expressly stated in the decision to be invalid or ineffective, and all other provisions of this Amendment shall continue to be separately and fully effective. The City Council hereby declares that it would have passed this Amendment and each section or part thereof, other than any part declared invalid, if it had advance knowledge that any part would be declared invalid.

SECTION 3. REPEALER. Any specific provisions of the City of Reading Zoning Ordinance, Subdivision and Land Development Ordinance or any other City ordinance or resolution that is in direct conflict within this Zoning Amendment are hereby repealed as they affect the RR Overlay District.

SECTION 4. All other provisions of the City of Reading Zoning Ordinance, Section 27-101 et seq. of the City of Reading Codified Ordinances shall remain unchanged and in full force and effect.

SECTION 5. Effectiveness of Ordinance. This Ordinance will become effective in accordance with Charter Section 219.

Enacted _____, 2008

President of Council

Attest:

City Clerk
(LAW DEPT.)

Submitted to Mayor: _____
Date: _____

Received by the Mayor's Office: _____
Date: _____

Approved by Mayor: _____
Date: _____

Vetoed by Mayor: _____
Date: _____

EXHIBIT A

The City of Reading Zoning Ordinance, Section 27-101 et seq. of the City of Reading Codified Ordinances is hereby amended and added to as follows:

Part 1. The following new definition is added to Section 27-2202:

“Tract, Total Area of the” the total lot area of a single lot(s) in common ownership or common equitable ownership at the time of submittal for subdivision, land development or planned residential development approval. The Total Area of the Tract shall not include areas within the existing rights-of-way of existing streets, but may include portions of the lot proposed for new streets or proposed for new common open space or recreation land.”

Part 2. The following is added to Section 27-701:

“H. RR Riverfront Redevelopment Overlay District”

In Section 27-502, add the following: “A. However, the RR Overlay District shall function in relation to the underlying zoning district, as provided in Section 27-815.”

Part 3. The following is added as Section 27-702.H., regarding purposes:

“H. RR Riverfront Redevelopment Overlay District - This district recognizes an area of Reading that is uniquely situated compared to other areas of the City. This district allows optional types of future development and adaptive reuses consistent with such uniqueness. This area is also unique in terms of its size because it potentially includes over 20 acres of redevelopment land. This RR Overlay District is intended to:

1. Promote redevelopment that enhances the Schuylkill Riverfront, in recognition of its value to the City, while making better use of underutilized lands.
2. Promote appropriate mixtures of compatible uses that provide for a variety of employment opportunities and housing types, including mixtures of business and residential uses in the same building.
3. Improve the public’s access to the river and maximize the visibility of the riverfront.
4. Allow persons to live, shop and work on the same tract of land, in order to reduce total vehicle traffic in the City and reducing commuting distances, while promoting use of public transit.
5. Carry out the purposes of the Traditional Neighborhood Development (TND) and the purposes of the Planned Residential Development (PRD) provisions

of the State Municipalities Planning Code, which are hereby included by reference.

6. Encourage new development to occur in a compact neighborhood-oriented manner that will be consistent with traditional patterns and scale of development, and that creates a sense of place.
7. Promote housing that serves various types of households.
8. Allow modification of certain requirements through the PRD process by the Planning Commission.
9. Promote a pedestrian-orientation through the development that includes a mix of commercial and residential uses.”

Part 4. The following is added as a new Section 27-815:

“27-815. RR Riverfront Redevelopment Overlay District.

A. Boundary. The RR District is hereby established, which shall include the geographic area shown in Exhibit A, which is attached and incorporated herein by reference. The Official Zoning Map shall be considered to have been amended to show the boundaries of the new RR Overlay District.

B. Applicability and Phasing.

1. The RR Overlay District is an optional zoning district that overlays the underlying zoning district. An applicant shall have the option of developing property under the RR District or under the underlying district. Once a final Planned Residential Development (PRD) plan is approved under the RR District, such land shall be developed under the RR District provisions and not the underlying zoning district, unless the Planning Commission approves a zoning application to abandon the PRD approval, after the applicant has provided notice in writing to the Zoning Officer and the Planning Office.
 - a. Until such time as development is underway within a phase of development that was granted Final PRD approval, uses shall be allowed under the regulations of the underlying zoning district. Once a Final PRD Plan has been approved for a phase, then within the land area of that phase, only uses that are allowed in the RR Overlay District shall be allowed, provided that other lawful pre-existing uses may be continued as non-conforming uses.
2. Development in the RR Overlay District shall first require tentative and then final approval as a Planned Residential Development (PRD). The PRD approval process replaces the conventional subdivision and land development approval process. Once a PRD has been granted final approval by the City Planning Commission, then individual uses allowed

in the RR Overlay District shall be permitted by right, provided they are consistent with the approved PRD Plan. If uses or development are proposed that are inconsistent with the approved PRD Plan, then the proposed PRD Plan revisions shall first be approved by the Planning Commission.

3. The provisions of this RR Overlay District shall only be available to be utilized if the “total area of the tract” is greater than 10 acres in common ownership or common equitable ownership at the time of tentative PRD plan submission. For the purposes of the RR Overlay District, a tract may include lots that are separated from each other by a street, a railroad, a park, or an alley.
 - a. Once a Final PRD Plan has been approved, then individual buildings may be undertaken by various entities, provided there is overall compliance with the Final PRD approval and provided there is compliance with the City-approved phasing plan and a development agreement that have been approved by the City.

b. See additional phasing provisions in Section 27-815.F. below.

C. Use Regulations. Within the RR Overlay District, land and/or structures may be used for any of the following permitted by right uses listed below and be combined together in one or more buildings, provided final PRD approval has been previously granted.

1. Single family detached dwellings
2. One family semi-detached dwellings or Duplex dwelling.
3. Apartment/Multi-Family Dwellings, which may include Mid-Rise or High-Rise apartments, provided the height requirement is met.
4. One family attached dwellings (townhouses)
5. Adaptive reuse of a building to convert building space into dwelling units and/or
to increase the number of dwelling units, provided the density requirements of
this Section are met .
6. Amusement Arcade
7. Bed and Breakfast Inn
8. Surface, underground or structured parking areas as an accessory or principal use, provided that the area of surface parking lots shall not comprise more than 50 percent of the total area of all lots within the tract, and provided that underground parking shall not be allowed within the 100 year floodplain
9. Business Services, which may include but is not limited to photocopying and custom printing

10. Catering, Preparation of Food for
11. Commercial Communications Tower/Antenna, that are attached to a building and that extend less than 25 feet above a principal building
12. Custom Crafts, manufacture and sale of (such as jewelry and handicrafts), or Artisan's Studio, or Retail craft shops such as, but not limited to, artisan shops, glass blower shops, ceramic tile maker shops.
13. Exercise Club, or Fitness facility
14. Financial Institution (which includes a bank but which does not include a check cashing establishment or pawn shop, each of which shall be considered a retail store)
15. Hotel or Motel, which may include a restaurant and conference center
16. Massage Therapy by a trained person certified by a recognized professional organization, not including an Adult Business
17. Newspaper Publishing and Printing
18. Offices of business, institution, profession, medical, or similar entity (see also Home Occupation)
19. Personal Services (such as barber shops, beauty shops, laundry and dry cleaning pick-up and delivery, and closely similar uses)
20. Recreation, Commercial, Indoor or Outdoor, other than an outdoor motor vehicle race track.
21. Restaurant, which may include entertainment, provided that drive-through service shall be prohibited.
22. Municipal buildings and uses and other governmental facilities, but not including prisons, other correctional facilities and solid waste facilities
23. Retail store(s), which may include but is not limited to a supermarket or a farmers market, but not including an Adult Business
24. Tavern or Nightclub, which may include a Brew Pub that manufactures alcoholic beverages for on-site and off-site sale
25. Theater (not including an "Adult Business"), Performing Arts Facilities, Civic and/or Cultural Facility, Arena, Museum, Canal, Amusement Park, Water Park, Aquarium, Sports Stadium, Gymnasium or Auditorium
26. Trade School or Similar Educational Institution
27. Veterinarian, other than Kennel
28. Research and Development, Engineering or Testing Facility or Laboratory
29. Adult day Care Center
30. Day care facilities, which may also include Nursery School, Pre-School or "Head Start" program center
31. College or University, which may include dormitories for full-time students and staff.
32. Museum or Visitor's Center, and which include accessory retail sales
33. Nursing Home or Personal Care/Assisted Living Home or Congregate Care Housing Retirement Community
34. Community Center or Resident/Employee Recreation Center, Non-Profit
35. Social club meeting facilities
36. Public Park, Playground or other publicly-owned or publicly-operated

- recreation facilities or non-commercial outdoor recreation areas
37. Boat Dock, Wharf or Marina
 38. Swimming Pools, public or private
 39. Bus stops, bus passenger shelters and taxi waiting areas
 40. Indoor vending and amusement machines, not including gambling machines
 41. Public Utilities meeting Section 27-1203, including but not limited to electric substations and sanitary sewage facilities, but not including vehicle garages, warehouses, storage yards or freestanding commercial communications towers
 42. Accessory use and/or structure on the same lot and customarily incidental to a lawful principal use
 43. Community special event facilities, which may include tents, awnings and displays
 44. Family Child Care Home
 45. Group Child Care Home or Child Day Care as a principal use
 46. Home crafts under the provisions of Section 27-1007
 47. Home computer/internet occupations under Section 27-1006, or Home Professional Occupations under Section 27-1202 or Home Occupation, or No Impact Home Based Businesses as defined by the Pennsylvania Municipalities Planning Code. If a dwelling unit is designated on the Final PRD Plan as being a "Live Work Unit", then the requirement that the home occupation area is limited to 25 percent of the dwelling unit floor area may be increased to 50 percent.
 48. Sales or rental office, which may include model units, provided that any temporary modular sales/rental building shall be limited to use during the first year of construction
 49. Warehousing as an accessory use to the permitted principal use of the lot, provided the warehousing does not occupy more than 25 percent of the floor area of the building
 50. Places of Worship
 51. *Private or Public Primary or Secondary School*

D. Site Layout and Dimensional Regulations.

1. The following Area, Yard and Building Regulations shall apply for all uses approved within a PRD, whichever is most restrictive.
 - a. Maximum Residential Density 75 Dwelling Units/Acre *
 - b. Minimum Lot Area 10,000 square feet, provided that 1,600 square feet for townhouses and for commercial uses fronting upon a pedestrian-oriented commercial street
 - c. Minimum Lot Width 50 feet, provided that 20 Feet

- shall be allowed for townhouses and commercial uses fronting upon a pedestrian-oriented commercial street**
- d. Minimum Building Setback for a new building from an abutting lot line at the perimeter of the tract 15 Feet, except a minimum of 30 feet from a residential district boundary for a building of greater than 40 feet in height.
 - e. Minimum Front Yard Setback 0 Feet
 - f. Minimum Rear Yard Setback 0 Feet
 - g. Minimum Side Yard Setback 0 Feet
 - h. Maximum Building Coverage 80%***
 - i. Maximum Building Height 140 Feet, except 200 feet for portions of buildings that are more than 200 feet from a principally residential lot that is outside of the PRD.
 - j. Buffer Yard Required No, except an 8 feet wide buffer yard shall be required if a pre-existing principal dwelling in a residential district is adjacent or across a street or alley from a new principal business use and such dwelling is not within the RR Overlay District
 - k. Site Plan Review by City Planning Commission Yes
 - l. River Front Building Setback Minimum of 50 feet from the top of the bank of the Schuylkill River or a structural wall or improved water's edge along the Schuylkill River, based upon conditions that will exist after the development is completed, based upon the approved Final PRD Plan. Pedestrian access may be placed within this setback.
 - m. Each single family detached, single family semi-detached or single family attached dwelling shall have a private outdoor area including a minimum area of 300 square feet for the exclusive use of that dwelling unit. Such outdoor area may be a rear or side yard, a porch, a balcony, a deck, an

improved rooftop recreation area with railings, or a similar feature.

- * The Maximum Residential Density shall be based upon the total area of the tract, before the deletion of rights-of-way of proposed streets and before the deletion of open space. Dwelling units may be located within the same building as allowed non-residential uses, provided such mixture of uses is consistent with the Tentative PRD Plan.
 - ** Individual uses or buildings may be owned in a condominium arrangement, without each condominium unit needing to meet the minimum dimensional requirements (such as lot width and yards), provided that the applicant shows that the development would have been able to meet the dimensional requirements if individual lot lines had been established.
 - *** The Maximum building coverage shall be based upon the ground level footprint of all buildings on the tract divided by the total area of the tract. Individual lots may have a higher building coverage, provided that the maximum is not exceeded for the tract. Underground parking that is covered by vegetation or a pedestrian plaza shall not count as building area for the purposes of this Section. The City may require that certain lots include a deed restriction limiting their maximum coverage to ensure that the maximum overall coverage requirement is met across the tract over time. For each 1,000 square feet of building floor area that achieves Certification or a higher level under the Leadership in Energy and Environmental Design (LEED) Green Building Rating System, an additional 300 square feet of building coverage shall be allowed above the maximum.
2. Fire Access. The applicant shall prove to the satisfaction of the Planning Commission, after a review by the City Fire Department, that all buildings will be adequately accessible by fire apparatus. The applicant should use a computer program to show that adequate access will be available for the largest vehicles used by the Fire Department, including provisions for turn-arounds. The City may require that buildings be sufficiently separated to allow firefighting access. Where streets or parking areas do not provide adequate access to various sides of a building, the City may require that a pedestrian pathway be constructed with sufficient paving depth and width so that the pathway will be suitable for use by fire trucks. Where there is no need for a pathway, the City may require other provisions for fire truck access, such as a stabilized surface under grass.
 3. Minimum Business Uses. A minimum of 5 percent of the total floor area of all enclosed buildings after completion of the development of the tract

shall be occupied by business uses. Areas used for vehicle parking shall not be considered in this calculation.

4. Open Land. A minimum of 10 percent of the total lot area of the tract shall be set aside in open land that is available for active and passive outdoor recreational use by the residents and employees of the tract, or by the general public. Such open land shall be maintained in existing trees or may be planted with new trees and shrubs or improved for outdoor recreational facilities. Such open land shall be regulated by a Conservation Easement or Deed Restriction established by the applicant and enforceable by the City of Reading, which prohibits the construction of buildings and the further subdivision of the required open land.
 - a. Outdoor recreational facilities shall be landscaped and may include *pathways, pedestrian outdoor courtyards* and structures typically included in active and passive recreational areas. Areas *within a street right-of-way and areas* used for buildings or vehicle parking shall not count towards the open land requirement, except rooftop active recreation facilities that are available to all residents of the building and/or tract *may count towards up to 50 percent of the required open land areas. Required open land areas may be designed to be under a roof during inclement weather or under a awning or similar feature.*
 - b. Unless dedicated to and accepted by the City of Reading as part of a final PRD plan, such open land shall be owned and maintained by a legally binding association of property owners on the Tract. The form of the property owners legal documents shall be subject to review by the City Department of Law. If there is mutual written agreement between the applicant and the City, part or all of the open land may be maintained as a public park.
 - c. The open land shall be focused on taking advantage of the riverfront by providing for substantial public access along the banks of the river. Some of the open land may also serve the purpose of buffering residences from high traffic roads.
 - d. The Planning Commission may approve a portion of the open land requirement being met by the applicant making recreation improvements to existing adjacent City-owned parkland, provided the extent of the improvements are specified and provided that the City Council approves a list of such improvements. The City Council may approve a lease of parkland for the purposes of allowing an applicant to make improvements to City parkland.
5. Riverfront Access. The RR Overlay District offers great flexibility to the developer as an optional form of development. In return for such flexibility, a developer shall only be eligible to use this RR Overlay District if the developer commits to providing public access to and along

all portions of the Schuylkill Riverfront that are under the control of the applicant. The tract shall be designed to provide continuous public pedestrian and bicycle access from sunrise to sundown, at a minimum, from public streets to the riverfront, and then along the length of the riverfront along the entire tract. Such public access shall be provided upon completion of each phase for land in that phase adjacent to the riverfront. Complete public access along the entire riverfront shall be provided upon completion of the development, including provisions for future extension of public pathways from the edges of the tract. The Planning Commission may approve alternative access through the tract if public access at a particular part of the riverfront is not feasible.

- a. Such public access shall include a pedestrian pathway with a minimum hard-surfaced width of 10 feet and a public pedestrian access easement with a minimum width of 14 feet. Such pathway may also be open to maintenance vehicles and bicycles. Such pathway may be gated and may be closed to the public between *10 p.m. and sunrise on land that is privately controlled. Access to land that is controlled by a public agency shall be governed by that public agency.* Such riverfront pathway shall be illuminated and landscaped and shall connect with any existing or planned public trail adjacent to the tract.
 - b. The applicant shall describe how parking will be made available for members of the public who wish to use the riverfront recreation trail and any recreation facilities open to the public. This may include on-street parking with time limits, but does not necessarily need to involve free parking provided by the applicant.
 - c. Pedestrian public access points to the riverfront trail shall be available a maximum of 1,000 feet apart from each other, with each access point connecting to a street open to the public. Sufficient access shall also be available to the riverfront trail for maintenance vehicles. Except for police, motorized wheelchair and maintenance access, no motorized vehicles shall be allowed along the riverfront trail.
6. Surface Parking Location. If a new principal building is constructed that will be occupied primarily by retail uses, no new vehicle surface parking spaces shall be located in the area between the front wall of such building and the curblines of the nearest public street. If such lot is adjacent to two or more streets, this restriction shall only apply to one street. This provision shall not restrict parking that is located to the side or rear of such building.

E. Site and Building Layouts. The following provisions shall be applied to the

tract to the satisfaction of the Planning Commission:

1. The tract shall include at least one pedestrian-oriented commercial street, with pedestrian entrances and pedestrian amenities along that street and with no off-street surface outdoor parking spaces located between such pedestrian-oriented street and the front of abutting principal buildings, except for loading/unloading spaces. Commercial establishments shall be placed along at least a portion of the street level building space along such pedestrian-oriented commercial street.
 2. Along this pedestrian-oriented commercial street, a minimum of 50 percent of the front wall of each principal building shall not have a setback of greater than 40 feet from the curblineline. The Planning Commission may approve a wider setback where appropriate to provide room for pedestrian amenities or an outdoor café.
 3. The Final PRD Plan shall specify locations for garbage collection, business truck unloading areas and similar building services. Such locations shall be subject to approval by the Planning Commission to minimize conflicts with the pedestrian-oriented commercial street and dwellings.
 4. The PRD shall have at least *one central focal point for each 2,000 feet of length of the development. Examples of such a focal point include a landscaped central green space and/or a pedestrian-friendly street that includes commercial uses.*
 5. Feasibility of Addressing Site Issues. As part of a Tentative PRD application, the applicant shall provide written material describing methods that will be used to provide compatibility with any adjacent sanitary sewage facilities and to address safety with any underlying natural gas infrastructure.
- F. Approval Process and Phasing. Development under the RR Overlay District shall require approval by the Planning Commission as a Planned Residential Development (PRD). The requirements and procedures for a PRD of the Pennsylvania Municipalities Planning Code are hereby included by reference.
1. A Tentative Plan submittal shall be made that includes the entire tract. *The Tentative Plan submittal shall state the following for the entire development and for each tentative phase: proposed number of dwelling units, the floor area of non-residential uses, the amount and locations of open land, the proposed locations and heights of buildings, the proposed locations of off-street parking areas, the locations of loading areas, and sufficient other information to show the feasibility of the proposed development. A map shall show the tentative phasing plan.*

- a. The Tentative Plan submittal shall meet all of the requirements that would apply to a Preliminary Plan under the City Land Development and Subdivision Ordinance, *except that Tentative Plans do not need to be drawn at a scale larger than one inch equals 100 feet*, and except that the following submission requirements shall be deferred from the Tentative Plan to the Final Plan stage. Such deferral shall only occur if the applicant:
 - a) shows the general feasibility of such features and
 - b) commits to not construct improvements that will be dedicated to the City prior to receiving Final PRD Plan approval for the area that includes such improvements. *Such deferral may include the following:*
 - (1) Stormwater calculations
 - (2) Detailed grading and erosion and sedimentation control plans
 - (3) Proposed monuments
 - (4) Exact locations and species of plantings for landscaping plans
 - (5) Utility and street profiles
 - (6) Designs of culverts, man-holes, catch-basins and similar construction details
 - (7) Locations of proposed electric, telephone and cable television lines and water and sewage laterals
2. After review by the City Planning Office, City Engineer and Law Department, or their designees, and after the Tentative Plan has been offered for review by the County Planning Commission, the Tentative Plan shall be approved, approved with conditions or denied by the Planning Commission within the maximum time limits provided by the Pennsylvania Municipalities Planning Code, unless the applicant provides a written time extension.
 - a. The Tentative Plan may include a range of allowed uses in various areas, as opposed to identifying each specific use. The Tentative Plan shall show the preliminary layout of proposed streets, alleys, cartway widths, lots, public trails, recreation areas, major pedestrian and bicycle pathways, heights and uses of buildings, parking areas, major detention basins and proposed types of housing and non-residential uses.
 - b. The Tentative Plan is intended to show the inter-relationships and compatibility of various elements of the PRD. The Tentative Plan shall be to scale and be designed to show how the PRD will comply with the Zoning Ordinance.
 3. After a Tentative Plan has been approved, a Final Plan shall be submitted, with any phasing occurring in logical self-sufficient phases. The Final Plan shall meet all of the same requirements that would apply to a Final Plan under the City Subdivision and Land Development

regulations. The Final Plan shall need approval by the Planning Commission.

- a. No sale of lots or construction of buildings (other than one temporary modular sales/rental building) shall occur until after all of the following requirements are met: (1) an approved Final PRD Plan for that phase has been approved by the Planning Commission and has been recorded, (2) the applicant has proven they have met any conditions upon approval, and (3) acceptable financial guarantees for improvements have been established.
4. *A Final Plan submittal shall be accompanied by an updated plan of the entire PRD at a Tentative Plan level of detail, which shall show portions previously approved, portions that have been built, the locations affected by the current Final Plan submittal, and the remaining phases of development. This overall plan shall also show compliance with density and open space land requirements.*
 5. Phasing. As each phase of development is approved, the applicant shall provide evidence that the requirements of this RR Overlay District will be met at the conclusion of that phase, even if later phases of development would not be completed. This shall include, but not be limited to, providing evidence of compliance with the density, bulk, and open land requirements. The City Planning Commission may permit variations in specific requirements of these provisions for an individual phase, provided there will be compliance after the completion of the next phase. Each phase of development shall be developed in full coordination with prior and future phases, to ensure that proper traffic circulation and utility services will be provided, and to ensure general compliance with the Tentative Plan. For each phase, the applicant shall prove that the PRD will be able to properly function and will include suitable vehicle and pedestrian access and utilities even if later phases of the PRD are not built.
 - a. *A tentative phasing plan shall be submitted as part of the Tentative Plan and be updated as part of any Final Plan and should be updated at least once a year afterwards. The phasing plan shall show the geographic area of each phase and the anticipated order of the various phases and an approximate timeline for start and completion of construction. The applicant shall prove to the City Planning Commission that any changes to the phasing plan comply with this Ordinance.*
 - b. *After final plan approval, the developer shall be required to enter into a development agreement with the City to ensure the timely completion of required improvements, in coordination with the*

Phasing Plan.

- c. If new dwellings are proposed adjacent to an existing industrial use, then the Planning Commission shall have authority to require provisions for transitional buffering and setbacks between those dwellings and any adjacent industrially zoned land. Such buffering and setbacks are intended to make sure that there will be a compatible border between dwellings and industrial uses, in case later phases are not developed.
 - (1) The Planning Commission may require that financial guarantees be provided by the developer to fund buffer plantings if adjacent phases are not built.
 - (2) The Planning Commission may require that a building setback be provided for dwellings from the edge of a future phase.
 - (3) If such future adjacent phase is completed in conformance with the Tentative PRD Plan, then such buffer and setback requirement is eliminated.

- d. If a particular Final Plan is not generally consistent with the approved Tentative Plan, then the applicant shall submit a revised Tentative Plan for acceptance by the City Planning Commission. However, the approved Tentative Plan is not required to be revised for matters addressed in the Final Plan that do not affect zoning ordinance compliance, such as adjustments in street alignments or changes in building shapes to reflect more detailed design.

G. Additional Requirements for a PRD.

- 1. Other Requirements. A PRD shall meet all of the requirements of the Zoning Ordinance and Subdivision and Land Development Ordinance that are not specifically modified by this Section or by the provisions of the Pennsylvania Municipalities Planning Code that governs PRDs.

- 2. Architecture. To carry out the intent of Traditional Neighborhood Development, as part of the final PRD submittal, the applicant shall submit a set of preliminary architectural sketches and the substance of draft architectural covenants to the Zoning Officer, the Planning Office, the City Department of Law and the City Planning Commission for review and comment. The applicant shall also submit a Manual of Written and Graphic Design Guidelines. Such provisions shall be prepared with the involvement of a Registered Architect. The applicant shall establish a set of architectural covenants as a condition of final plan approval, prior to the recording of such plan.
 - a. No new principal building shall have a front facade that is primarily constructed using vinyl siding.

- b. New street lights within the PRD shall have a decorative design with a maximum total height of 22 feet using a design pre-approved by the City.
 - c. The applicant should describe any environmental friendly and energy efficient measures that are intended to be incorporated into the construction, such as use of rooftop gardens or green roofs.
- 3. Covenants. The City may also require covenants or conditions upon the plan to address setbacks, landscaping, pedestrian access, fire access, street improvements, utility improvements, access by the public to certain recreation areas, park improvements and other matters necessary to carry out the intent of this Overlay District.
- 4. Public Access. The Tentative Plan and Final Plan shall each describe the locations and extent of public access to the Schuylkill Riverfront.
- 5. Traffic Study and Improvements. As part of the Tentative Plan submittal, the applicant shall submit a Traffic Impact Study to the City. Such study shall assess current traffic conditions, the amount of traffic expected to be generated by the total development *during peak hours, the impacts of the development upon traffic in the surrounding area, any resulting reductions in levels of service below a level of "C" at intersections and highway ramps*, and measures that the applicant proposes to complete or fund to mitigate the impacts, *such as street improvements and/or assistance in funding transit services*. Such Traffic Impact Study shall be updated as needed as each phase is submitted. If diagonal parking is proposed along a street, the Traffic Impact Study shall assess the safety of such parking in that location.
 - a. The Traffic Impact Study shall analyze issues involving truck traffic, particularly to avoid conflicts between new dwellings and late night truck traffic, while also addressing peak hour congestion.
 - b. *The Traffic Impact Study shall be prepared under the direction of a professional with substantial experience in preparing traffic impact studies. The qualifications of such person shall be included in the report.*
- 6. *For lots within a Historic District that is regulated by the City of Reading Historic Districts Ordinance, the applicant shall also comply with such Ordinance.*
- H. PRD Modifications. As authorized by the TND and PRD provisions of the Pennsylvania Municipalities Planning Code, specific zoning and subdivision

and land development regulations that apply to a PRD application may be modified by the Planning Commission after receiving a written request from the applicant. Such modifications shall be allowed where the applicant proves that an alternative standard would meet the same public objective and would serve the purposes for a PRD and/or TND as provided in State law. Such modifications shall be limited to street standards, setback requirements, sidewalk and curb standards, improvement requirements, and technical engineering requirements. The Planning Commission shall consider recommendations of the City Engineer or designee before approving any modifications to street, improvement and rights-of-way requirements.

1. As another option, the applicant shall also have the additional option of submitting an application for a zoning variance to the Zoning Hearing Board, in the same manner as would apply to other sections of the zoning ordinance.
2. Such modification may include, but is not limited to, the following street rights-of-way and cartway widths:
 - a. A collector street with two-way traffic may be constructed with two travel lanes of 11 feet each, 8 feet wide parallel parking lanes, a 4 feet wide planting strip with street trees on each side of the street (which may utilize tree wells), pedestrian sidewalks on each side of the street that are a minimum of 5 feet in width *except 8 feet in width in front of principal commercial uses*, and a right-of-way width that includes the width of the required sidewalk.
 - b. A local street with two-way traffic may be constructed with two travel lanes of 10 feet each, 8 feet wide parallel parking, a 4 feet wide planting strip (which may utilize tree wells) with street trees on each side of the street, pedestrian sidewalks on each side of the street that are a minimum of 5 feet and a minimum right-of-way width that includes the required width of the sidewalk.
 - c. An alley serving two-way traffic may be constructed with a 16 feet wide cartway and a 5 feet wide minimum setback between the travel lane and any rear garage, *provided that parking is prohibited within the cartway. Along any side of an alley along which parallel parking is allowed, an additional 8 feet of paved width shall be required.*
 - d. The Planning Commission may require wider cartway widths as needed, considering the results of the Traffic Impact Study.
3. Any street within the RR Overlay District, whether public or private, shall meet the same minimum construction material requirements as any new street intended to be dedicated to the City under City ordinances, or as otherwise approved by the City.
 - a. Pedestrian sidewalks with a minimum width of 5 feet and street

trees meeting requirements of the City shall be required on each side of every street, unless the applicant proves to the Planning Commission that an alternative pathway open to the public will provide the same level of pedestrian access. *The minimum width of sidewalks shall be increased to 8 feet in front of principal commercial uses. Tree grates or similar measures may be used and permitted outdoor cafes may intrude into the sidewalk, provided a 4 feet continuous pedestrian and wheelchair accessible pathway is provided along the sidewalk.* A minimum average of one street tree shall be required for each 40 feet of street length, unless existing trees will be preserved to serve the same purpose.

- I. Off-Street Parking and Loading Regulations. The requirements of Part 16 of the Zoning Ordinance shall apply, except for the following modifications:
 1. Off-street parking may be shared by various uses and lots within the RR Overlay District provided that the developer shall demonstrate to the Planning Commission that sufficient parking is provided on the Tract that is within 500 feet of walking distance from the pedestrian entrance of the use that is served by the parking. The applicant shall prove that shared parking will continue to be available to all of the uses that are served by the parking during the life of those uses.
 2. The amount of Off-Street Loading requirements shall be determined by the Planning Commission upon review of the proposed uses of each Phase of the Tentative PRD Plan.
 3. Under the authority to modify requirements as part of a PRD, the Planning Commission may reduce the required amount of off-street parking by up to 30 percent based upon:
 - a. the applicant's traffic study and parking study, *provided the parking study analyzes current and anticipated on-street and off-street parking demand and supply within the PRD and at least one block in each direction,*
 - b. the ability of various uses to share parking, particularly if those uses have different period time periods of peak parking demand,
 - c. commitments by the applicant to fund or provide transit services for residents, customers and patrons, such as connections to an off-site parking area, and
 - d. the availability of public transit and/or any shuttle or trolley service that may be provided during periods of peak parking demand.
 4. For development under the RR Overlay District, new off-street vehicle parking spaces shall not be located within 100 feet from the top of the bank of the Schuylkill River or a structural wall along the Schuylkill River,

based upon conditions that will exist after the development is completed, based upon the approved Final PRD Plan.

5. An applicant may meet a maximum of 25 percent of the off-street parking space requirements for each use by counting new on-street spaces adjacent to the curb along a street adjacent to the use.
- K. Preserved Open Land. The method of ownership and maintenance of the preserved open land shall be approved by the Planning Commission as part of the PRD approval. Any later changes to the preserved open land ownership or use that was not part of the PRD approval shall need Planning Commission approval.
1. Required preserved open land shall be preserved through a permanent conservation easement that is enforceable by the City. The legal form of the documents concerning the preserved open land shall be approved by the City Department of Law, or designee.
 2. The preserved open land shall be improved so that it is suitable for its intended use, including the planting of trees and shrubs where existing trees and shrubs will not be maintained.
 3. Methods for ownership of the preserved open land shall utilize one of the following: a) dedication to the City for public recreation if the City agrees in advance to accept it, b) dedication to a property-owners association, with each owner of property within the PRD legally required to annually fund their share of the maintenance of the open land, c) retention by the owner of a rental housing development, or d) another suitable method that is specifically approved by the Planning Commission.

Part 5. Sign Regulations

The following is added as a new Section 27-1726:

“Signs Within the RR Overlay District.

In the RR – Riverfront Redevelopment Overlay District, signs shall meet the requirements that apply in the C-C district, except that the Planning Commission may approve modifications to sign provisions under the PRD provisions, in response to a written request from the applicant. In no case shall more than one freestanding sign be allowed per building per street frontage. In addition, a professional sports stadium may also include one 200 square foot freestanding sign with up to 2 sides. Signs that are not readable from a street and from beyond the property line are not regulated by this Section.”

Part 6. Table of Contents

The table of contents of the Zoning Ordinance shall be revised to incorporate this zoning ordinance amendment, including the following:

Add the new Section 27-1726 entitled “Signs Within the RR Overlay District.”

Add the new Section 27-815 entitled “RR Riverfront Redevelopment Overlay District.”

EXHIBIT B

**Land Area to Be Included in the
RR Riverfront Redevelopment Overlay District**

B I L L N O. _____ 2009
A N O R D I N A N C E

**AN ORDINANCE AMENDING THE CITY OF READING CODE OF ORDINANCES
CHAPTER 27 ZONING BY CREATING A NEW SECTION IN PART 11
ADDITIONAL REQUIREMENTS FOR SPECIFIC USES OF ZONING DISTRICTS
BY PLACING REQUIREMENTS FOR THE RENTAL OF SINGLE FAMILY HOMES
IN AREAS ZONED R-1, R-1A and R-2 AND AMENDING THE DEFINITIONS
SECTION.**

WHEREAS, as the City's Zoning Ordinance and Map allows residential rental uses – multi family and single family – in Penn Square, CN, CR, CC, R-PO, and R3, and

WHEREAS, over 50% of all residential dwellings in the City of Reading are rental dwellings; and

WHEREAS, there is a greater incidence of violations of various codes of the City at residential dwelling where Owners do not reside in the City and rent such dwelling to three or more unrelated individuals than at an Owner-occupied residential dwelling or one family-occupied residential dwellings; and

WHEREAS, there is a greater incidence of problems with maintenance/upkeep and quality of life disturbance of residential dwellings where Owners do not reside in the City and rent such dwelling to three or more unrelated individuals than at Owner-occupied dwellings or one family-occupied dwellings; and

WHEREAS, the City of Reading City Council and residents of these neighborhoods seek to preserve the quality of life in the low density residential zones by creating requirements for one family rental dwelling in area zoned R-1, R-1A and R-2.

NOW THEREFORE, THE CITY OF READING CITY COUNCIL HEREBY ORDAINS AS FOLLOWS:

SECTION 1. Amending the City of Reading Codified Ordinances - Chapter 27 Zoning Part 11 Additional Requirements for Specific Uses or Zoning Districts by creating a Section 27-1107 which creates restrictions on the rental of one family detached and semi-detached dwellings in R-1, R-1A and R-2 zoning districts, as follows:

Section 27-1107. Requirements for Rental Dwellings in the R-1, R-1A and R-2 Zoning Districts.

- A. All single family rental dwellings must obtain a zoning permit.
- B. No single family dwelling in these zoning districts shall be converted for multi-family use or created to become Roommate Households as defined in Sections 27-1202 (16) and 27-2202.
- C. The zoning application must include a site plan and architectural plans, drawn to scale, must show the location and dimensions of off-street parking, private entrances, walkways, the dimensions and square footage of each room and storage space and shall indicate the intended use of each room.
- D. The rental dwelling must meet the standards of the City of Reading building, housing and fire codes as required for residential rental dwellings. The owner must verify to the City of Reading on an annual basis that the dwelling meets all of the maintenance, plumbing, electrical, heating, building, fire, and similar standards set by the City and by the Commonwealth of Pennsylvania.
- E. No cooking facilities of any kind shall be located in any room except the central kitchen.
- F. Every bedroom shall be at least 70 square feet of floor area and there shall be no more than two occupants per bedroom.
- G. No basement or cellar shall be used as a habitable bedroom except by special approval and variance from the Zoning Hearing Board.
- H. Each rental dwelling must provide one on-site off-street parking space for each resident over the age of 16 years.
- I. No rental dwelling shall be located within 800 feet of another except by special approval and variance from the Zoning Hearing Board.

SECTION 2. Requiring all existing rental detached and semi-detached dwellings in R-1, R-1A and R-2 zoning districts to register their dwellings pre-existing, non-conforming status within one (1) year of the enactment of this ordinance. Registering the dwelling by this date will allow the dwelling to continue its use. If the pre-existing, non-conforming use is not registered by the stated date, the use will be considered abandoned and the dwelling must be converted to a use permitted in the zone within six (6) months.

SECTION 3. Amending the City of Reading Codified Ordinances - Chapter 27 Zoning Part 22 Definitions by adding the following:

RENT, RENTING, RENTAL, LET, LETTING, LEASE OR WORDS OF SIMILAR MEANING – the act of permitting a unit to be used to provide a living arrangement for one or more persons not the owner thereof whether or not for compensation.

RENTABLE UNIT, RENTAL PROPERTY, UNIT, OR WORDS OF SIMILAR MEANING - Any dwelling, dwelling unit, rooming house or rooming unit not solely occupied by the owner.

ROOMING UNIT- a portion of a building providing rooms for sleeping and/or sanitary facilities.

SECTION 4. The owner or qualified agent or manager of the property shall register the rental dwelling annually with the Codes Services and Tax Administration offices. Failure to register on an annual basis will revoke the zoning permit.

SECTION 5. This ordinance shall be effective ten (10) days after its adoption and approval by the Mayor, or re-passage by City Council over the Mayor's veto, in accordance with Section 219 of the City of Reading Home Rule Charter, or as set forth in Section 221 of the City of Reading Home Rule Charter.

Enacted _____, 2009

President of Council

Attest:

City Clerk

(Councilor Marmarou & Council Staff)

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

RESOLUTION NO. _____

THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS FOLLOWS:

Denying the Conditional Use application for the conversion of 439 South 9th Street to a 3 unit rental dwelling, owned by Irina Lapa, as attached in the Findings of Fact and Conclusion of Law.

Adopted by Council _____, 2009

Vaughn D. Spencer, President of Council

Attest:

Linda A. Kelleher, City Clerk

**Conditional Use Application
439 South 9th Street**

IN THE MATTER OF	§	BEFORE THE
	§	
IRINA LAPA	§	CITY OF READING
	§	
OWNER OF 439 SOUTH 9 th ST	§	CITY COUNCIL
READING, PA	§	
	§	

**FINDINGS OF FACT, CONCLUSIONS OF LAW,
ORDER, AND AGREED RESOLUTION**

On Thursday, January 8, 2009 at 5:00 p.m. in Council Chambers, the City of Reading City Council (Council) met to hear testimony on the application to convert 439 South 9th Street, owned by Ms. Irina Lapa(Applicant), to a three (3) unit rental property.

Findings of Fact

1. The City of Reading Zoning Ordinance Section 27-1203 (4) limits multi unit rental properties to only the R-3 area and requires that the conversion of single family properties to multi-family properties be approved by Conditional Use by Council.
2. The Applicant submitted the required Conditional Use form, appeared with her husband, at the hearing held on Thursday, January 8, 2009 and requested that Council approve the conversion of this property.
The City Solicitor issued the oath to the Applicant.
3. The Applicant stated that the when she purchased the property in June 2006 it was divided into two living units.
4. This property originated as store/salon with one living unit. At some point a second living unit was added to the upper floors. Housing Permits and Zoning Permits were never issued to this property.
5. In August 2006 a trades permit was issued to Tommy Truesdale, Mohrsville to correct safety and mechanical problems.
4. The Applicant stated that after purchasing the property she added a third rental unit inside the storefront area without applying for the proper permits, as she resides in Far Rockaway, New York and did not know the local regulations.
5. The Applicant stated that each of the tree rental units contains one sleeping area.

6. The Applicant stated that she owns two additional rental properties; 228 Orange and 1339 Cotton, purchased July 2009. Both these properties have the proper housing permits.
7. The Applicant stated that if approval for the third unit is denied, she will leave this unit vacant and rent only two of the units.
8. The Applicant stated that she does not have the 1 ½ off-street parking spaces per unit, as required by the City of Reading Zoning Ordinance 27-1203 (4) C. She stated that this property is served by on-street parking only.

Conclusions of Law

The City of Reading Zoning Ordinance, part of the City's Codified Ordinances, Section 27-1203 (4) requires that the conversion of single family properties to more intense residential use in R-3 areas be approved by Conditional Use by the City of Reading City Council. Section 27-1203 (4C) requires that 1.5 off-street parking spaces be provided per living unit and (4D) requires that the Applicant submit documents that indicate that all plumbing heating, electrical equipment and facilities are adequate and appropriate for the proposed use. The City of Reading Comprehensive Plan, Land Use Issues and Policies (pages 26 and 27), adopted in 2000, stresses the lack of adequate parking in neighborhoods and requests that conversions of single family dwellings into multi-family dwellings be limited due to the over densification of neighborhoods and lack of adequate neighborhood parking.

Order and Agreed Resolution

As the Applicant failed to supply documentation indicating that all plumbing, heating and electrical equipment and facilities are adequate for a rental property and comply with the City's Property Maintenance and Trades Codes; and

As the Applicant failed to provide a minimum of 1 ½ off-street parking spaces per rental unit; and

As the City of Reading Comprehensive Plan requests that the City undertake a de-densification strategy and that additional conversions of single family dwellings be limited,

The City of Reading City Council hereby concurs with the recommendation of the City of Reading Planning Commission and denies the Conditional Use application for the conversion of 439 South 9th Street owned by Irina Lapa, to a 3 unit rental property. The third unit will be removed within 60 days.

As this property was known to be a two unit rental for many years, City Council will approve the conversion of this property to a 2 unit rental after the applicant submits proof that required off-street parking spaces have been obtained and further required the applicant to submit proof annually that the required off-street parking is still in place.

Right to Appeal

If you disagree with the decision of City Council you may file an appeal with the Court of Common Pleas of Berks County within 30 days after notice of the decision has been made. Your failure to file the appeal within such 30 days shall preclude an appeal from such decision.

CITY OF READING,
BERKS COUNTY, PENNSYLVANIA

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA, APPROVING AN INTEREST RATE MANAGEMENT PLAN; APPROVING THE FORM OF AN AMENDMENT TO THE EXISTING INTEREST RATE MANAGEMENT AGREEMENT RELATING TO ITS GENERAL OBLIGATION BONDS, SERIES OF 2002; AUTHORIZING THE PROPER OFFICERS OF THE CITY TO EXECUTE AND DELIVER THE AMENDMENT TO THE INTEREST RATE MANAGEMENT AGREEMENT; APPROVING THE MAXIMUM RATE OF INTEREST PAYABLE BY THE CITY UNDER THE INTEREST RATE MANAGEMENT AGREEMENT, AS AMENDED AND THE MINIMUM FIXED RATE OF INTEREST PAYABLE BY THE COUNTERPARTY UNDER THE INTEREST RATE MANAGEMENT AGREEMENT, AS AMENDED; APPROVING THE TERM OF THE AMENDMENT TO THE INTEREST RATE MANAGEMENT AGREEMENT; COVENANTING TO MAKE PAYMENTS UNDER THE INTEREST RATE MANAGEMENT AGREEMENT, AS AMENDED; AUTHORIZING THE PREPARATION OF AN AMENDED DEBT SERVICE SCHEDULE FOR THE SERIES OF 2002 BONDS; AUTHORIZING THE PREPARATION OF A TRANSCRIPT OF PROCEEDINGS TO BE FILED WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER NECESSARY DOCUMENTS AND THE TAKING OF OTHER NECESSARY ACTION IN CONNECTION WITH THE FOREGOING.

WHEREAS, the City previously issued its \$25,980,000 original aggregate maturity amount General Obligation Bonds, Series of 2002 (the "2002 Bonds") to provide financing for various projects of the City; and

WHEREAS, the 2002 Bonds are capital appreciation bonds; and

WHEREAS, the 2002 Bonds are currently outstanding in the aggregate maturity amount of \$25,265,000; and

WHEREAS, the City has heretofore appointed Financial S&Lutions LLC as its independent financial advisor (the "Financial Advisor") to, among other things, evaluate whether to enter into interest rate management agreements with respect to all or a portion of the City's outstanding bonds; and

WHEREAS, the City previously entered into an interest rate management agreement with respect to the 2002 Bonds (the "2002 Swaption") pursuant to which the City sold an option to Wachovia Bank, National Association (the "Bank") to obligate the City to enter into a fixed payer interest rate swap with respect to the 2002 Bonds or any refunding bonds which may be issued by the City to refund the City's 2002 Bonds; and

WHEREAS, the City's Financial Advisor has been authorized and directed to prepare an interest rate management plan (the "Interest Rate Management Plan"), in connection with an amendment with respect to the 2002 Swaption for the purpose of trying to reduce the City's interest rate costs on the 2002 Bonds by amending the variable rate payable by the Bank pursuant to the 2002 Swaption; and

WHEREAS, the Interest Rate Management Plan contains guidelines relating to the process for selecting a counterparty and awarding one or more interest rate management agreements, and the City has determined that it is in its best financial interest to enter into the amendment to the 2002 Swaption with the Bank by private sale by negotiation, pursuant to the provisions hereof, the Local Government Unit Debt Act (as hereinafter defined) and the Interest Rate Management Plan with respect to the 2002 Bonds; and

WHEREAS, the City has requested its Financial Advisor to provide a finding that the terms of the amendment to the interest rate management agreement as described herein will be fair and reasonable to the City as of the date of the award of such interest rate management agreement as provided in the Local Government Unit Debt Act (Part VII of Act 177 of 1996, P.L. 1158, as amended) (the "Act" or the "Local Government Unit Debt Act"); and

WHEREAS, the City previously entered into the 2002 Swaption pursuant to a Master Agreement and Schedule to the Master Agreement each dated April 15, 2003, as supplemented by an Amended and Restated Swap Transaction Confirmation thereto dated March 18, 2005 (collectively, the "Original Agreement"); and

WHEREAS, the City desires to enter a new or amended Confirmation with respect to the 2002 Swaption (the "2009 Confirmation") to amend and supplement the terms and conditions of the Original Agreement in order to reduce and manage interest rate costs of the City on the 2002 Bonds; and

WHEREAS, the City desires to approve the Interest Rate Management Plan, authorize the execution and delivery of the 2009 Confirmation and such other documents, agreements, instruments and certificates as shall be necessary or appropriate in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA AS FOLLOWS:

Enactment of the Interest Rate Management Plan. In accordance with the purposes and objectives of the Local Government Unit Debt Act, as amended, the City hereby enacts and approves the Interest Rate Management Plan, prepared and recommended by the Financial Advisor attached hereto as Appendix I, subject to such modifications from time to time as the Managing Director of the City, the City's Financial Advisor and counsel to the City shall approve. The City hereby approves and authorizes the use of the process for selecting a counterparty, and awarding the interest rate management agreement, set forth in the Interest Rate Management Plan. The Financial Advisor is hereby determined to be independent as contemplated by the Local Government Unit Debt Act.

Authorization of the 2009 Confirmation. In order to reduce and manage interest costs to the

City, the City is hereby authorized to execute and deliver the 2009 Confirmation, the substantial form of which is attached hereto as Appendix II. The substantial form of the 2009 Confirmation is hereby approved; provided that: (i) the notional amount of the Original Agreement, as amended by the 2009 Confirmation, shall not exceed the then outstanding principal amount of the 2002 Bonds, (ii) the term of the Original Agreement, as amended by the 2009 Confirmation, shall be no later than the latest maturity date for the 2002 Bonds, (iii) the Original Agreement, as amended by the 2009 Confirmation, shall obligate the City to pay a fixed rate of interest, at the times and in the manner set forth in the 2009 Confirmation, as appropriate, (iv) the Original Agreement, as amended by the 2009 Confirmation, shall obligate the Counterparty to pay a floating rate at levels determined by the Financial Advisor to be fair and reasonable at the time of pricing of the 2009 Confirmation, and (v) although both parties may be required to make certain additional payments to the extent required under the Original Agreement, as amended by the 2009 Confirmation, the periodic scheduled payments payable by the City under the 2009 Confirmation and debt service payable by the City on the 2002 Bonds shall be senior in right and priority of payment to termination payments due under the 2009 Confirmation. The Council hereby authorizes and directs the Mayor of the City or the Managing Director of the City to approve, in his sole discretion, with the advice of the Financial Advisor and Swap Counsel, the delivery date, final pricing, terms and provisions of the 2009 Confirmation entered into by the City, subject to the limitations of this paragraph 2.

Execution and Delivery of the 2009 Confirmation. The Mayor of the City is hereby authorized and directed to execute the 2009 Confirmation by manual or facsimile signature; the City Clerk or Assistant City Clerk of the City is hereby authorized to attest by manual or facsimile signature and to affix the seal of the City on the 2009 Confirmation (which is hereby authorized to be impressed or imprinted on the 2009 Confirmation); and following such execution, the officers of the City are hereby authorized to deliver, or to cause to be delivered, the 2009 Confirmation.

The Original Agreement, as amended and supplemented by the 2009 Confirmation, when executed, will be a general obligation of the City. The City hereby covenants that it shall include the amount of scheduled payments due thereunder for each fiscal year in which such sums are payable in its budget for that year and shall include the amount of any termination payments due thereunder in its budget for the fiscal year immediately succeeding the fiscal year in which a termination occurs; shall appropriate such amounts from its general revenues to the payment of such payments; and shall duly and punctually pay or cause to be paid the payments on the dates and places and in the manner stated in the Original Agreement, as amended and supplemented by the 2009 Confirmation, according to the true intent and meaning thereof, and for such proper budgeting, appropriation, and payment of periodic scheduled payments, the full faith, credit and taxing power of the City is hereby irrevocably pledged.

The maximum and estimated scheduled payment amounts which the City hereby covenants to pay under the Original Agreement, as amended and supplemented by the 2009 Confirmation, are set forth in Schedule I attached hereto. Because the maximum net payments by fiscal year for periodic scheduled payments of the City, not including any termination payments, and interest on the 2002 Bonds, exceed the amount of interest approved at the time the proceedings for the 2002 Bonds received a certificate of approval from the Department of Community and Economic Development, the City hereby amends the Ordinance of the City authorizing the 2002 Bonds, reflecting such increase. Attached hereto as Schedule II is the maximum combined obligations

of the City with respect to the 2002 Bonds taking into account the Original Agreement, as amended and supplemented by the 2009 Confirmation, and the 2002 Bonds, assuming that the maximum rate on the Original Agreement, as amended and supplemented by the 2009 Confirmation, is in effect, but excluding the amount of any termination payment.

Authorization of Private Sale By Negotiation. In compliance with Section 8281(e) of the Local Government Unit Debt Act, the Council of the City, in consultation with the Financial Advisor to the City has determined that a private sale by negotiation rather than private sale by invitation or public sale is in the best financial interest of the City with respect to the 2009 Confirmation. Therefore, the 2009 Confirmation shall be awarded to the Bank subject to the requirements of this Resolution; provided that the proceedings have been filed with the Department of Community and Economic Development in accordance with paragraph 7 below. The award of the 2009 Confirmation at a private sale by negotiation in accordance with the other terms and conditions set forth in this Resolution, is hereby deemed to be in the best financial interest of the City and is hereby approved.

Execution and Delivery of Documents. The Mayor of the City is hereby authorized to execute and deliver, in the name of the City and on its behalf, the following documents and to approve the final terms, form and substance thereof, and any amendments, modifications or supplements thereto before or after the initial execution and delivery thereof, and to approve the exact notional amount, term and interest rates under the 2009 Confirmation (subject to paragraph 2 above), such approvals to be conclusively evidenced by the execution thereof, and the City Clerk or Assistant City Clerk is hereby authorized to affix to all of the following documents the seal of the City and to attest to the same:

**The 2009 Confirmation; and
Such other documents, agreements, instruments and certifications, as the executing officers determine to be reasonable and appropriate to provide for the 2009 Confirmation as authorized by this Resolution.**

Copies of the foregoing documents, instruments, agreements and certificates together with the other documents relating to the transactions authorized hereby, in final form as executed and delivered by the parties thereto, shall be filed in the official records of the City.

Dating of 2009 Confirmation. The 2009 Confirmation and the other documents, agreements, instruments and certificates executed and delivered in connection therewith are presently expected to be dated as of their date of execution at any time on and after the date of this Resolution. In accordance with paragraph 2 hereof, the Mayor of the City or the Managing Director of the City with the advice of the Financial Advisor and Swap Counsel, is hereby authorized and directed to approve in his sole discretion the date and the final pricing, terms and provisions of the 2009 Confirmation, such approval to be conclusively evidenced by the execution of the 2009 Confirmation and any other documents, instruments, agreements and certificates executed and delivered by or on behalf of the City in connection therewith.

Debt Act Proceedings.

The Mayor of the City, the Managing Director, the City Clerk or Assistant City Clerk of the City are authorized and directed to prepare or cause to be prepared, verify and file the proceedings required by Section 8284 of the Act and to take any and all necessary or desirable action in

connection therewith.

The action of the proper officers and the advertising of a summary of this Resolution as required by law in a newspaper of general circulation, is hereby ratified and confirmed, and approved. The advertisement by the City Clerk of the City in said newspaper of the adoption of this Resolution is hereby authorized and directed within fifteen (15) days following the day of final adoption.

Binding Effect of Covenants and Agreements. All covenants, obligations and agreements of the City set forth in this Resolution and in the documents, instruments, agreements and certificates authorized hereby shall be deemed to be the covenants, obligations and agreements of the City to the full extent authorized or permitted by law, and all such covenants, obligations and agreements shall be binding upon the City and its successors from time to time and upon any board or body to which any powers or duties affecting the same shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the City or the members thereof by the provisions of this Resolution or the documents, instruments, agreements and certificates authorized hereby shall be exercised or performed by such members, officers or other representatives of the City as may be required or permitted by law to exercise or perform the same. No covenant, obligation or agreement herein contained or contained in any documents, instruments, agreements and certificates authorized hereby shall be deemed to be a covenant, obligation or agreement of any member, officer, agent or employee of the City in his or her individual capacity and neither the members of Council or officers of the City nor any officer executing the 2009 Confirmation or any other documents, agreements, instruments and certificates authorized by this Resolution shall be personally liable thereunder or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

Financial Advisor. The City hereby appoints and engages Financial S&Lutions, LLC to serve as its independent Financial Advisor with regard to all of the transactions from time to time contemplated by this Resolution.

Swap Counsel. The City hereby appoints and engages Stevens & Lee, a professional corporation, Reading, Pennsylvania, to act as Swap Counsel to the City with regard to all of the transactions from time to time contemplated by this Resolution.

Further Action. The Mayor of the City is hereby authorized and directed to execute such further documents, agreements, instruments and certificates and do such further things as may be necessary or proper to carry out the intent and purpose of this Resolution or any document herein authorized.

Repeal of Inconsistent Resolutions. All prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistency.

Effective Date. This Resolution shall take effect immediately.

DULY ADOPTED, THIS 9TH DAY OF FEBRUARY, 2009, BY THE
COUNCIL OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA, IN
LAWFUL SESSION DULY ASSEMBLED.

(SEAL)

CITY OF READING, BERKS COUNTY,
PENNSYLVANIA

By: _____
President of City Council

Attest: _____
City Clerk

CERTIFICATE OF CITY CLERK

The undersigned, City Clerk of the City of Reading, Berks County, Pennsylvania (the "City"), hereby certifies that the foregoing is a true and correct copy of the Resolution which was adopted by a majority vote of the Council of the City, at a meeting thereof held after due public notice as required by law, on February 9, 2009.

(SEAL)

By: _____
City Clerk

APPENDIX I

Interest Rate Management Plan

APPENDIX II

Form of 2009 Confirmation

SCHEDULE I

MAXIMUM SCHEDULED PAYMENTS UNDER THE INTEREST RATE SWAP
AGREEMENT

EXPECTED SCHEDULED PAYMENTS UNDER THE INTEREST RATE SWAP
AGREEMENT

SCHEDULE II

MAXIMUM AMOUNTS PAYABLE UNDER 2002 BONDS AND THE INTEREST RATE
SWAP AGREEMENT