



CITY COUNCIL

Work Session

***Work Session
Penn Room***

***Monday, September 20, 2010
7:30 P.M.***

Although Council Work Sessions are open to the public, public comment is not permitted. However, citizens are encouraged to attend and observe the work sessions. Comment from citizens or professionals during the work session may be solicited on agenda topics via invitation by the Council President.

- I. Call to Order**
- II. Managing Director's Report**
- III. CDBG Action Plan Review**
- IV. PA Storm Water Coalition (D. Hoag & C. Jones)**
- V. Projected Year-end Deficit and Unfunded Loan**
- VI. Adjourn**

City of Reading
City Council
Work Session
Monday, August 16, 2010

Councilors Attending: V. Spencer, M. Goodman-Hinnershitz, S. Marmarou, D. Reed, D. Sterner, J. Waltman

Others Attending: C. Younger, L. Kelleher, C. Geffken, K. Zeiber

Mr. Spencer called the Work Session to order at approximately 7:08 pm.

Managing Director's Report

Interim Managing Director Carl Geffken read the report distributed to Council at the meeting covering the following:

- General Fund cash surplus of \$1.5M as of July 31st; however a 2010 year-end budget shortfall is predicted.
- Update on the implementation of the recovery plan
- 9.8% reduction in major crimes, when compared with 2009 statistics
- Requesting the addition of four (4) full-time positions to support the housing initiative in the recovery plan

Mr. Marmarou inquired about the cost for the four (4) new positions. Mr. Geffken stated that that information will be provided when the ordinance is introduced.

Ms. Goodman-Hinnershitz suggested linking the applicable agenda items with the recovery plan so they can be prioritized appropriately.

Ms. Reed inquired about the reduction in major crimes. Historically crime rates are usually higher during difficult economic times. Mr. Geffken stated that crime rates are not seasonal. He expressed the belief that the reduction was caused by the improved deployment of police officers.

Mr. Waltman noted the Administration has had repeated success/failure in its housing efforts. He noted the need for the Administration to develop a basic plan to address the City's housing issues. He inquired if the proposed Deputy Community Development

Director will also be the Housing Czar. Mr. Geffken stated that Deputy CD Director will also be the "Housing Czar" and will be charged with overseeing the housing issue.

Mr. Waltman explained the need for the Administration to develop an A-Z plan that will prevent the further decline of the City's housing stock. Mr. Geffken replied that the Administration will implement an A-Z plan as soon as possible. He noted the need for assistance from the Community Development Deputy Director.

Ms. Goodman-Hinnershitz suggested that the Administration and Council work together to define housing goals and their required actions. Mr. Geffken stated that the Administration is working to develop those goals.

Mr. Spencer inquired if the Act 47 coordinator was aware of the projected 2010 shortfall as the recovery plan defines some new expenditure. Mr. Geffken expressed the belief that the Act 47 coordinator was aware that a \$1.1M shortfall would exist without certain corrective steps. He also expressed the belief that the country's current economic conditions increased the amount of the shortfall. Mr. Geffken noted that the recovery plan does not consider some new fees such as the Code quality of life tickets and the increase in the Housing Registration fee.

Mr. Waltman expressed the belief that a cash approach is the wrong approach to apply to the quality of life tickets. He also stated that the City cannot continue to keep spending more without better control of its current operation. Ms. Reed expressed the belief in the need for strong action steps to address the housing problems without wasting additional time in meetings and discussions.

Mr. Waltman stressed the need for the Administration to take action after defining a basic process and procedure. He stressed the need for improved data as a first step.

Mr. Marmarou inquired about the possibility of adding tax staff to increase corresponding revenue streams.

Ms. Goodman-Hinnershitz expressed the belief that the Administration is moving forward with a new vibrancy and changed attitude.

Mr. Sterner expressed the belief that the dramatic and recurrent change in personnel has hindered the City's success in its handling of housing initiative. He also noted the need for Senate Bill 900 to be adopted by the State House. This bill will assist the City's management of blighted properties.

Mr. Spencer noted the continued problems with shifting the Codes Division from CD to Police and back to CD. He noted the need to identify the problems within this division.

Mr. Waltman noted that the absence of good State law does not excuse the City from its repeated failures in managing housing issues.

Honeywell Energy Savings

Mr. Geffken distributed the executive summary prepared by Honeywell Building Solutions pertaining to annual energy guarantee costs avoidance. He stated that a representative from Honeywell will be available in September to address Council questions. Ms. Kelleher stated that the Honeywell representative was invited to attend the Committee meeting scheduled for the first Tuesday in September due to Labor Day.

Tax Collection

Mr. Geffken updated the Public Works Committee on the City's tax collection efforts with Portnoff and Linebarger. He stated that the school tax assessments differs from the City's estimate and tax staff will work with the Reading School District to address that step.

Mr. Geffken explained that a Tax Committee was formed across Berks County municipalities due to the need to implement Act 32. He stated that Act 32 requires the use of one (1) collector for earned income tax. He stated that the Administration is also reviewing other options for the collection of other taxes.

As no further business was brought forward, the work session was adjourned at approximately 8:15 p.m.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk

FOLLOW-UP ISSUES:

- Administration to arrange meeting with RAWA and Council to discuss the renegotiation of the water authority lease agreement
- Council inclusion on Act 47 Recovery Plan initiative committees, as prescribed by the Recovery Plan
- Call Center deferred to August 9th COW



AGENDA MEMO
COMMUNITY DEVELOPMENT

TO: CITY COUNCIL
FROM: DANIEL ROBINSON, DIRECTOR
MEETING DATE: NOVEMBER 8, 2010
AGENDA MEMO DATE: SEPTEMBER 14, 2010
REQUESTED ACTION: TO APPROVE SUBMISSION OF THE FFY2011 (37TH YEAR - JANUARY 1, 2011 TO DECEMBER 31, 2011) ACTION PLAN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD).

CD is asking City Council to pass the resolution at the **November 8, 2010** City Council meeting.

BACKGROUND: For the fiscal year beginning on January 1, 2011 and ending December 31, 2011 the City of Reading anticipates receiving approximately \$3,360,585 CDBG, \$70,000 CDBG program income, \$ \$653,000.00 Section 108 Payments, \$1,068,114 HOME, and \$271,778 ESG funds. HUD requires the City to expend those funds in accordance with federal regulations and City policy as detailed in both a five-year Consolidated Plan and a one-year Action Plan. The Consolidated Plan period runs from January 1, 2009 to December 31, 2013. The Action Plan is the annual budget explaining how the administration intends to spend HUD funds and demonstrate how those expenditures conform to HUD regulations. The plan must be submitted to HUD for review and approval at least forty-five (45) days prior to the beginning of each fiscal year. CD develops the plan based upon requests from City Departments and the general public. CD reviews the requests to determine compatibility with HUD regulations, the Consolidated Plan, and City policy. The plan is advertised and made available for public review and comment for a period of thirty (30) days. CD will present the plan in a formal public hearing broadcast on BCTV. Upon approval by Council, the plan will be sent to HUD for their review and approval.

BUDGETARY IMPACT: CDBG funded activities relieve general fund pressures.

PREVIOUS ACTION: None.

SUBSEQUENT ACTION: If approved by Council, the FFY2011 (37th year - January 1, 2011 to December 31, 2011) one year Action Plan will be submitted to HUD on

November 15, 2010 for their review and approval.

RECOMMENDED BY: Community Development Director, Managing Director and Mayor.

RECOMMENDED MOTION: To approve/deny a Council Resolution authorizing submission of the FFY2011 Action Plan to HUD.

Cc: Carl Geffken
Neil Nemeth
Brenda Skimski
Dan Wright
Steve Haver

RESOLUTION No. _____

**RESOLUTION OF THE COUNCIL OF THE CITY OF READING AUTHORIZING
SUBMISSION OF THE
FFY2011 ACTION PLAN TO THE UNITED STATES DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

WHEREAS, under 24 CFR Part 91, the U.S. Department of Housing and Urban Development (HUD) outlines the consolidated submissions for community planning and development programs which will serve as: (1) a planning document for the City that builds on a participatory process at the grass roots level, (2) an application for federal funds under HUD's formula grant program, (3) a strategy to be followed in carrying out HUD programs, and (4) an Action Plan that provides a basis for assessing performance;

WHEREAS, the FFY2009 to FFY2013 five year Consolidated Plan (35th to 39th years - January 1, 2009 to December 31, 2013) specifies activities the City will undertake to address priority needs and local objectives using formula grant funds and program income the City expects to receive during a five year period;

WHEREAS, the FFY2011 (37th year January 1, 2011 to December 31, 2011) Action Plan specifies activities the City will undertake to address priority needs and local objectives using formula grant funds and program income the City expects to receive during the program year;

**NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF
READING THAT:**

The FFY2011 (37th year January 1, 2011 to December 31, 2011) Action Plan is hereby approved.

The Mayor, on behalf of the City of Reading, is authorized and directed to file the application for financial assistance to carry out the housing and community development activities outlined in the plan; and to execute the necessary certifications in connection with the plan and provide such additional information as may be required.

PASSED COUNCIL _____, 20____

PRESIDENT OF COUNCIL

ATTEST:

CITY CLERK

CDBG (not public services)	Notes	2008	2009	2010	2011 req	2011 AP	differ	%
S. 2nd St. tree removal/planting*					\$ 8,732.35	\$ -	\$ (8,732.35)	-100.00%
S. 3rd St. tree removal/planting*					\$ 34,929.40	\$ -	\$ (34,929.40)	-100.00%
S. 7th St. tree removal/planting*					\$ 26,197.05	\$ -	\$ (26,197.05)	-100.00%
3rd & Spring Sts. Playground*		\$ 89,000.00		\$ -		\$ -	\$ -	
3rd & Spruce Basketball Court*					\$ 73,000.00	\$ 54,000.00	\$ (19,000.00)	-26.03%
400 and 500 blocks of Penn St. Improvements*					\$ 65,000.00	\$ 65,000.00	\$ -	0.00%
11th and Pike Playground*					\$ 200,000.00	\$ 200,000.00	\$ -	0.00%
Abe Lincoln Hotel 108 payment		\$ 216,000.00	\$ 235,186.00	\$ 232,000.00	\$ 220,000.00	\$ 240,000.00	\$ 20,000.00	9.09%
Adopt-A-Tree*		\$ 20,000.00		\$ 10,000.00	\$ 20,000.00	\$ 10,000.00	\$ (10,000.00)	-50.00%
Baer Park Fieldhouse*					\$ 100,000.00	\$ -	\$ (100,000.00)	-100.00%
Baer Park*		\$ 230,000.00		\$ 55,000.00		\$ -	\$ -	
Barbey Playground*	\$150,000 re-obligated from 2011			\$ 50,000.00	\$ 265,468.00	\$ 245,468.00	\$ (20,000.00)	-7.53%
BCTV CDBG Administration	From CDBG Admin				\$ 83,000.00	\$ 75,000.00	\$ (8,000.00)	-9.64%
BPRC/RRA eminent domain	Slum/blight cap			\$ 169,000.00		\$ -	\$ -	
Brookline Fencing*				\$ 15,000.00		\$ -	\$ -	
CDBG Administration		\$ 600,000.00	\$ 600,000.00	\$ 620,000.00	\$ 686,117.00	\$ 611,117.00	\$ (75,000.00)	-10.93%
Centre Park HD Façade	Slum/blight cap		\$ 25,500.00	\$ -			\$ -	
Chestnut St. tree removal/planting*					\$ 43,661.75	\$ -	\$ (43,661.75)	-100.00%
Children's HOME	BCCD is not funding				\$ 152,635.00	\$ -	\$ (152,635.00)	-100.00%
City Park Electrical Upgrades*				\$ 50,000.00			\$ -	
City Park*		\$ 100,000.00	\$ 354,500.00	\$ 60,000.00			\$ -	
Code Enforcement - PMI*		\$ 350,000.00	\$ 350,000.00	\$ 180,000.00	\$ 325,000.00	\$ 325,000.00	\$ -	0.00%
Code Enforcement - Trades*				\$ 170,000.00	\$ 170,000.00	\$ 170,000.00	\$ -	0.00%

Commercial Façade	Slum/blight cap	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 100,000.00	\$ 70,000.00	\$ (30,000.00)	-30.00%
DID					\$ 105,000.00	\$ -	\$ (105,000.00)	-100.00%
E J Dives Fencing*				\$ 15,000.00		\$ -	\$ -	
Emergency Demos	Slum/blight cap	\$ 500,000.00	\$ 500,000.00	\$ 475,000.00	\$ 425,000.00	\$ 425,000.00	\$ -	0.00%
Essick Playground*		\$ 48,500.00		\$ -		\$ -	\$ -	
Fire Truck Purchase*		\$ 850,000.00		\$ -		\$ -	\$ -	
9th and Marion Fire Station				\$ 47,000.00		\$ -	\$ -	
8th and Court Fire Station				\$ 36,350.00		\$ -	\$ -	
Reed and Walnut Fire Station				\$ 30,790.00		\$ -	\$ -	
Habitat public improvements		\$ 50,000.00		\$ -		\$ -	\$ -	
Hamden Park*		\$ 165,000.00		\$ -		\$ -	\$ -	
Handicap Ramps*		\$ 47,000.00	\$ 182,500.00	\$ -		\$ -	\$ -	
Hillside Playground*		\$ 285,000.00		\$ -		\$ -	\$ -	
Keffer Park*					\$ 30,000.00	\$ -	\$ (30,000.00)	-100.00%
Liberty Fire Station*					\$ 35,000.00	\$ 35,000.00	\$ -	0.00%
Litter Baskets*		\$ 99,960.00		\$ -			\$ -	
NHS home ownership assistance	HOME eligible as well	\$ 100,000.00	\$ 50,000.00	\$ 75,000.00	\$ 100,000.00	\$ 100,000.00	\$ -	0.00%
NHS Major System Rehab		\$ 46,000.00	\$ 75,000.00	\$ 100,000.00	\$ 150,000.00	\$ 100,000.00	\$ (50,000.00)	-33.33%
NHS Mortgage Refinancing	Eligibility/Fundability issues				\$ 250,000.00	\$ -	\$ (250,000.00)	-100.00%
NHS Operation Facelift	Eligibility/Fundability issues			\$ -	\$ 10,000.00	\$ -	\$ (10,000.00)	-100.00%
Northmont Playground*			\$ 100,000.00	\$ -		\$ -	\$ -	
Olivet / PAL Bldg. Façade	Slum/blight cap		\$ 39,590.00	\$ -		\$ -	\$ -	
Orange & Cherry Sts. Playground*		\$ 82,000.00		\$ -	\$ 135,000.00	\$ -	\$ (135,000.00)	-100.00%
Pendora Park*					\$ 15,000.00	\$ 15,000.00	\$ -	0.00%
Reading Iron Playground*					\$ -	\$ -	\$ -	-37.50%

					200,000.00	125,000.00	(75,000.00)	
Residential Façade	Slum/blight cap	\$ 40,000.00		\$ 40,000.00	\$ 50,000.00	\$ 50,000.00	\$ -	0.00%
Schlegel Park Fencing*				\$ 15,000.00		\$ -	\$ -	
Spruce St. tree removal/planting*					\$ 34,929.40	\$ -	\$ (34,929.40)	-100.00%
Street Lights*				\$ 208,000.00		\$ -	\$ -	
Street Paving 2010*				\$ 800,000.00		\$ -	\$ -	
*relieves general fund	CDBG total (not incl PS)	\$ 4,018,460.00	\$ 2,512,276.00	\$ 3,553,140.00	\$ 4,113,669.95	\$ 2,915,585.00		

CDBG Public Services Cap = 15% of (CDBG + 2010 income)	Notes	2008	2009	2010	2011 req	2011 AP	differ	%
Activity Delivery	\$1000 per activity	\$ 6,000.00	\$ 6,000.00	\$ 5,000.00	\$ 11,000.00	\$ 11,000.00	\$ -	0.00%
Amanda Stoudt Rec Tennis*					\$ 5,000.00	\$ 4,000.00	\$ (1,000.00)	-20.00%
Baer Park Rec Boxing*					\$ 5,000.00	\$ 4,000.00	\$ (1,000.00)	-20.00%
Community Policing*		\$ 329,000.00	\$ 357,900.00	\$ 343,000.00	\$ 522,550.00	\$ 344,000.00	\$ (178,550.00)	-34.17%
Co Churches Community Organizers					\$ 110,409.00	\$ -	\$ (110,409.00)	-100.00%
Human Relations Fair Housing	Intake Person		\$ 23,800.00	\$ 20,900.00	\$ 25,374.96	\$ 19,000.00	\$ (6,374.96)	-25.12%
Human Relations Tennant/Landlord					\$ 14,162.00	\$ -	\$ (14,162.00)	-100.00%
NEAR Pendorf*		\$ 35,000.00	\$ 15,000.00	\$ 20,000.00	\$ 25,000.00	\$ 19,000.00	\$ (6,000.00)	-24.00%
NHS Tennant Counseling				\$ -	\$ 25,000.00	\$ -	\$ (25,000.00)	-100.00%
Oakbrook Rec Tennis*					\$ 5,000.00	\$ 4,000.00	\$ (1,000.00)	-20.00%
Olivet's A/C Unit					\$ 15,000.00	\$ -	\$ (15,000.00)	-100.00%
Olivet's RPL Northwest					\$ 11,824.28	\$ -	\$ (11,824.28)	-100.00%
Olivet's Southeast (not including RPL)		\$ 35,000.00	\$ 85,300.00	\$ 73,100.00	\$ 93,715.29	\$ 74,000.00	\$ (19,715.29)	-21.04%
Olivet's/RPL Main					\$ 55,020.79	\$ 14,000.00	\$ (41,020.79)	-74.56%
Olivet's/RPL Northeast					\$ 11,824.28	\$ -	\$ (11,824.28)	-100.00%
Olivet's/RPL Southeast					\$ 23,486.75	\$ -	\$ (23,486.75)	-100.00%

RAFT 3rd and Spruce*		\$ 15,000.00	\$ 18,000.00	\$ 18,000.00	\$ 15,000.00	\$ 14,000.00	\$ (1,000.00)	-6.67%
RBI - Office of Neighborhood		\$ 30,000.00	\$ 15,650.00	\$ -	\$ -		\$ -	
Riverside Rec Tennis*					\$ 5,000.00	\$ 4,000.00	\$ (1,000.00)	-20.00%
Southern Rec Tennis*					\$ 5,000.00	\$ 4,000.00	\$ (1,000.00)	-20.00%
*relieves general fund	PS Total	\$ 450,000.00	\$ 521,650.00	\$ 480,000.00	\$ 984,367.35	\$ 515,000.00		

108 pymts rec/sent to HUD (except Abe)	\$ 653,000.00
Ricktown/Artist	To be determined
Goggle Works	\$40,000.00
Goggle Works Apartments	To be determined
Hydrojet	\$69,000.00
KVP Habasit	\$80,000.00
New Hotel	To be determined
Readings Future	\$350,000.00
Sun Rich Foods	\$114,000.00

\$ 3,430,585.00
CDBG
TOTAL

2010 CDBG income est.	\$ 75,000.00
2011 CDBG entitlement est.	\$ 3,360,585.00
2011 CDBG income est.	\$ 70,000.00
2011 CDBG administration cap est.	\$ 686,117.00
2011 CDBG public services cap est.	\$ 515,337.75
2011 CDBG slum blight cap est.	\$ 751,340.00
2011 CDBG re-obligated min. (Barbey)	\$ 150,000.00

\$ 686,117.00 RUN. TOTAL
\$ 515,000.00 RUN. TOTAL
\$ 545,000.00 RUN. TOTAL

HOME		2008	2009	2010	2011 req	2011 AP	differ	%
Habitat for Humanity			\$ 90,000.00	\$ -	\$ -	\$ -	\$ -	
HOME Admin.		\$ 95,000.00	\$ 95,000.00	\$ 100,000.00	\$ 106,811.40	\$ 106,811.40	\$ -	0.00%
Neighborhood homeownership	CDBG eligible as well			\$ 100,000.00		\$ -	\$ -	
NHS CHDO Set Aside	Min. 15% HOME allocation	\$	\$	\$	\$	\$	\$	-19.89%

		150,000.00	142,500.00	150,000.00	200,000.00	160,217.10	(39,782.90)	
NHS CHDO Operating Admin				\$ -	\$ 42,000.00	\$ -	\$ (42,000.00)	-100.00%
NHS Rental Rehab					\$ 500,000.00	\$ -	\$ (500,000.00)	-100.00%
OCR Inc. and Ricktown		\$ 580,000.00	\$ 572,500.00	\$ 572,000.00	\$ 800,000.00	\$ 801,085.50	\$ 1,085.50	0.14%
Act delivery - "one" Rehab Specialist		\$ 125,000.00	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	
BPRC Residential Rehabilitation				\$ 78,000.00	\$ -	\$ -	\$ -	
	HOME total	\$ 950,000.00	\$ 950,000.00	\$ 1,000,000.00	\$ 1,648,811.40	\$ 1,068,114.00		

2011 HOME entitlement estimate	\$ 1,068,114.00
2011 HOME income estimate	\$ -
2011 HOME CHDO Set Aside minimum	\$ 160,217.10

ESG		2008	2009	2010	2011 req	2011 AP	differ	%
ESG Admin. (Max. is 7.5% of EN)	5% of ESG is budgeted	\$ 6,750.00	\$ 6,750.00	\$ 6,750.00	\$ 13,588.00	\$ 13,588.00	\$ -	0.00%
BCAP					\$ 28,000.00	\$ -	\$ (28,000.00)	-100.00%
BWIC					\$ 73,000.00	\$ -	\$ (73,000.00)	-100.00%
Catholic Charities					\$ 22,556.00	\$ 12,500.00	\$ (10,056.00)	-44.58%
Easy Does It				\$ 4,250.00	\$ -	\$ -	\$ -	
Family Promise					\$ 25,000.00	\$ -	\$ (25,000.00)	-100.00%
Mary's Shelter				\$ 14,000.00	\$ 100,000.00	\$ 24,000.00	\$ (76,000.00)	-76.00%
Mid-Penn Legal					\$ 20,000.00	\$ -	\$ (20,000.00)	-100.00%
Opportunity House / RBES		\$ 128,250.00	\$ 128,250.00	\$ 110,000.00	\$ 250,000.00	\$ 221,690.00	\$ (28,310.00)	-11.32%
	ESG total	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00	\$ 532,144.00	\$ 271,778.00		

CITY OF READING
BERKS COUNTY, PENNSYLVANIA

RESOLUTION

A RESOLUTION OF THE COUNCIL OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA AUTHORIZING THE PROPER OFFICERS OF THE CITY TO PETITION THE COURT OF COMMON PLEAS OF BERKS COUNTY, PENNSYLVANIA, FOR PERMISSION TO FUND UNFUNDED DEBT IN AN AMOUNT NOT TO EXCEED \$20,000,000; AUTHORIZING INCIDENTAL ACTION; AND REPEALING INCONSISTENT RESOLUTIONS.

WHEREAS, the City of Reading, Berks County, Pennsylvania (the “City”), is of the opinion that as of the fiscal year ending 2010, the City will have unfunded debt contracted for current operating expenses and outstanding indebtedness in an amount not to exceed \$20,000,000, for which funds will not be available from revenues estimated to be received by the end of the current fiscal year; and

WHEREAS, the City has determined that paying said sum by curtailing public services will be dangerous to public health and welfare, and that it is not feasible to levy additional taxes in the current fiscal year; and

WHEREAS, the City has determined to apply by Petition to the Court of Common Pleas of Berks County, Pennsylvania, for the purpose of obtaining permission to fund its unfunded debt with its General Obligation Bonds, Series of 2010.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY AS FOLLOWS:

The City hereby approves the form of Petition presented to this meeting (which shall be filed with the records of the City), requesting authority from the Court of Common Pleas of Berks County, Pennsylvania, to fund unfunded debt in an amount not to exceed \$20,000,000, pursuant to the provisions of Section 8130 of Act 177 of 1996, known as the Local Government Unit Debt Act, approved December 19, 1996, by the issuance of its General Obligation Bonds, Series of 2010, to mature within ten years. A copy of the form of the Petition is attached hereto and incorporated herein as Exhibit "A".

The City hereby authorizes Charles D. Younger, Esquire, to represent the City for the unfunded debt proceedings.

The proper officers of the City are authorized to sign and acknowledge the Petition in substantially the form approved in Section 1 hereof, with such changes therein as counsel advises and the said officers may approve, their approval to be evidenced by their execution thereof.

The proper officers of the City are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effectuate the funding of the City's unfunded debt in an amount not to exceed \$20,000,000.

All prior resolutions or parts thereof inconsistent herewith are hereby repealed.

IN WITNESS WHEREOF, we, officers of the City of Reading, Berks County, Pennsylvania, have hereunto set our hands and seal of the City, duly attested this 13th day of September, 2010.

Attest:

CITY OF READING
Berks County, Pennsylvania

By: _____
Linda A. Kelleher CMC, City Clerk
Council

Vaughn D. Spencer, President of

(SEAL)

IN RE:	:	IN THE COURT OF COMMON PLEAS OF BERKS COUNTY
FUNDING OF UNFUNDED DEBT OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA	: : : :	COMMONWEALTH OF PENNSYLVANIA NO. _____ OF 2010

PETITION FOR PERMISSION
TO FUND UNFUNDED DEBT

TO THE HONORABLE, THE JUDGES OF SAID COURT:

This Petition is filed pursuant to Section 8130 of Act 177 of 1996, known as the Local Government Unit Debt Act, approved December 19, 1996.

The Petitioner is the City of Reading, Berks County, Pennsylvania (the “Petitioner”), with offices at 815 Washington Street, Reading, Pennsylvania 19601. This Petition is authorized by a Resolution of the Petitioner, duly adopted on September 13, 2010, a copy of which is attached hereto and incorporated herein as Exhibit “A”.

The Petitioner avers that there was an unforeseeable shortfall in revenues and unanticipated expenses resulting in unpaid current fiscal year bills of \$20,000,000.

The City is legally obligated to pay said debts.

The City has determined that paying the unforeseeable shortfall of \$20,000,000 by curtailing public services will be dangerous to public health and safety and that it is not feasible to levy additional taxes in the current fiscal year.

WHEREFORE, the Petitioner prays your Honorable Court to issue an order pursuant to Section 8130 of the Local Government Unit Debt Act granting permission to fund all of the unfunded debt of the City in an amount not to exceed \$20,000,000 by the issuance of its General Obligation Bonds, Series of 2010, to mature over a period of not to exceed ten years.

CITY OF READING
Berks County, Pennsylvania

Mayor

On this, the ____ day of _____, 2010, before me, the subscriber, a Notary Public for the Commonwealth of Pennsylvania, residing in Berks County, Pennsylvania, personally appeared THOMAS MCMAHON, who, being duly sworn according to law, did depose and say that he is the Mayor of the City of Reading, Berks County, Pennsylvania, and that the facts set forth in the foregoing Petition are true and correct.

Notary Public

(SEAL)