COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
November 7, 2011
5:00 P.M.

COUNCIL MEMBERS PRESENT:

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

OTHERS PRESENT:

L. Kelleher, S. Katzenmoyer, C. Younger, C. Geffken, R. Natale, S. Haver, K. Kulp, J. Kromer, C. Weidel

Mr. Spencer called the Committee of the Whole meeting to order at 5:05 p.m.

I. Housing and Economic Development Strategy

Mr. Kromer stated that Council has not had an update for six months. He stated that the tri-party leadership issue had been a sticking point in the past and that this updated draft removes this strategy. He stated that the other change expands the Ricktown area to Schuylkill Ave. He stated that the Housing Strategy seems to have the support of Council and that some items have already begun to be implemented. He stated that inspections in the Ricktown and Centre Park area have begun.

Mr. Kromer stated that industrial employment in Reading must expand and the former Glidden site is being examined for environmental issues which remain. He stated that meetings are occurring regarding Penn Square improvements and talks include a vendor zone of carts which would be owned and licensed by DID. He stated that grant funding may be available for this project.

Mr. McMahon arrived at this time.

Mr. Kromer stated that retail expansion is being studied in the Rockland St. area in northeast Reading that would serve residents and Albright students. He stated that the item expanding healthcare will continue even though the federal application was denied. He stated that the denial was a result of federal guideline changes but that the organizers are moving the project forward.

Mr. Marmarou questioned if the College Heights Community Council was involved in talks regarding the Rockland St. project. Mr. Kromer stated that he will forward the list of names of those involved to Ms. Kelleher.

Mr. Marmarou noted that College Heights should be involved in meetings for this project as it is a strong neighborhood group. Ms. Kelleher stated that to her knowledge the group has not been involved.

Mr. Waltman suggested that the housing work group remain in tact to monitor and advance the Housing Strategy. He stated that the strategy should include metrics and that the City should oversee this strategy.

Mr. Acosta and Chief Heim arrived at this time.

Mr. Kromer voiced his agreement about the housing work group.

Mr. Geffken noted the need for Council to pass a resolution formally adopting the strategy. Ms. Kelleher questioned if Council would like to adopt the strategy in one piece or separately. Council consensus was to split the strategies into the two components – housing and economic development.

Ms. Goodman-Hinnershitz noted the need for the strategies to include accountability and measures. She noted the need for periodic reports to Council.

Ms. Reed expressed the belief that the City should be more deeply involved in economic development. She requested that Council members be informed of meetings and receive all materials. She noted the need for Council to get first-hand information to encourage economic development.

Mr. Miravich arrived at this time.

Mr. Marmarou noted that he is bothered that College Heights has gotten no help from the City regarding the issue with Orange Stones/Fire Tree and that they were not informed of the plans for Rockland St.

Ms. Goodman-Hinnershitz noted the need to continue to monitor healthcare needs. She noted her concern with the relationship between healthcare needs and the EMS services. She stated

that information must be integrated and residents need to be educated that EMS is not a substitute for a visit to a family practitioner.

II. Water Authority Lease Agreement

Mr. Geffken stated that he discussed the lease amendment at an open Water Authority meeting. Mr. Younger agreed that discussions should be public unless they touched on certain topics.

Mr. Miravich stated that the vacation of Clover Alley from Bern to Rockland St has been clarified. He stated that a right of first refusal and all necessary easements have been granted for the Ontelaunee lands. He stated that two issues remain outstanding - billing and collection language and a debt issue. Mr. Geffken stated that the billing language refers to costs and the City is agreeable if the costs do not include capital and maintenance.

Mr. Waltman noted that the City will also suffer a loss in 2013 due to indirect cost collection after the Water Authority moves to a separate location. Mr. Miravich stated that the cost per bill is needed to move forward as many bills are issued to municipalities outside Reading.

Mr. Waltman stated that the sewer billing was tied to water billing and that the City could lose additional funds based on collection of past due charges. Mr. Miravich stated that the Water Authority has suggested starting a hardship account for hardship cases. He stated that the City and the Water Authority would each contribute $75,000 annually to write off bills or portions of bills for hardships. He stated that a third party would have oversight of the funds. He explained that this would be an administratively heavy function and would essentially be a fund set aside to pay ourselves back. He stated that the Red Cross and Community Foundation have been suggested as possibilities for the third party oversight.

Mr. Miravich stated that Mr. Setley has mentioned adding language regarding the financial debt of the Water Authority to the agreement. Council did not support this addition.

Mr. Waltman questioned why they would request this addition at this point in the negotiations. Mr. Geffken stated that talks had been in good faith up to that point. He stated that as far as the hardship cases are concerned it would be much simpler to waive fees through policy than set this hardship account up with a third party to pay ourselves back.

Ms. Goodman-Hinnershitz expressed the belief that this hardship account will create more bureaucracy and suggested a policy be adopted in its place. She stated that a third party administrator would charge a fee. She expressed the belief that the 12th hour request regarding the debt payments is not logical and suggested that no additional changes be made at the last minute.

Mr. Waltman stated that the reason the Water Authority exists is to provide income to the City. He stated that the debt issue should not be negotiated at this time. He suggested this issue be taken off the table at this time. Mr. Geffken expressed his belief that the agreement was complete before this issue was mentioned.

Mr. Waltman questioned if the agreement would provides for the retention of the City's rights to the land and sustain its access. Mr. Miravich stated that it does.

Mr. Waltman expressed his belief that he is unhappy with the land portion of the agreement but can agree with these terms.

Mr. Marmarou suggested that the debt issue be studied by the new administration and suggested Council consider disbanding the Authority. Mr. Geffken stated that the Authority can be disbanded at any time since the process has begun. He stated that he reiterated Council's opinion at the Water Authority meeting.

Mr. Acosta questioned if the debt issue will be taken off the table. Mr. Miravich stated that he is unsure. He stated that legally this issue may be moot. He must research the debt documents further.

Mr. Spencer noted the need for additional time to review the debt issue.

Mr. Waltman suggested leveraging the Water Authority by reminding them of the City's loss of indirect costs.

Mr. Acosta voiced his concern that the Authority feels that negotiations are in their hands. He noted his perception that they feel they control the situation. He stated that this perception will make issues larger than they need to be and could skew negotiations.

Ms. Reed stated that this agreement has budget implications. Mr. Geffken stated that without this agreement property taxes will need to be raised.

Mr. Acosta stated that Council needs to be strong leaders. He stated that he does not support these additions to the agreement. He stated that these last minute additions are very unprofessional.

Ms. Goodman-Hinnershitz stated that Council has appointed those serving on the Water Authority. She stated that Authority members also need a voice in this process and stated that the spokesperson may not be speaking on behalf of the entire board.

Mr. Waltman suggested an interim agreement for billing until negotiations are complete.

Mr. Acosta stated that Council cannot approve the 2012 budget until this agreement is settled.

Mr. Miravich stated that he will continue working on the agreement. Mr. Geffken stated that the debt issue is not in the agreement and will not be added. He stated that the Water Authority's position will be known by November 14 to allow the budget to be passed on November 28.

Mr. Waltman suggested agreeing to disagree on the debt issue at this time to allow the new administration to address it.

Mr. Miravich stated that he will distribute any updates to Council as they occur.

III. Zoning Administrator

Ms. Kelleher stated that Mr. Geffken has sent the resume of the Administration's recommendation for the Zoning Administrator position. She questioned if Council was available to interview him on Wednesday, November 9 at 5 pm. Council agreed to meet on November 9 at 5 pm.

Ms. Kelleher stated that she will call the candidate to arrange the interview. She stated that she spoke with Andy Giorgione Esq. who had good things to say about the candidate during a phone conversation.

Mr. Geffken stated that Marita Kelly also had positive comments.

Mr. Acosta questioned if the candidate's background is in similar demographics to Reading. Mr. Geffken stated that the candidate's background is in the Harrisburg area.

The meeting adjourned at 5:45 pm.

Respectfully Submitted
Linda A. Kelleher, CMC, City Clerk