



COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
September 26, 2011
5:00 P.M.

COUNCIL MEMBERS PRESENT:

S. Marmarou, M. Goodman-Hinnershitz, F. Acosta, D. Sterner, V. Spencer, D. Reed

OTHERS PRESENT:

L. Kelleher, S. Katzenmoyer, C. Younger, C. Geffken, D. Robinson, D. Wright, M. Reese

Mr. Spencer called the Committee of the Whole meeting to order at 5:09 p.m.

I. United Way Presentation

Mr. Reese distributed Council member's information packets. He explained that the City United Way committee is currently soliciting gifts from local businesses for prizes to employees who donate. He requested that the donation forms be returned by the end of October.

II. Update on Process to Review CD Findings in External Audit Report

Mr. Spencer stated that Mr. Acosta requested that Council discuss how to proceed.

Mr. Acosta stated that the CD audit items should be reviewed by the body of Council rather than in Committee. He stated that he has requested background information from Mr. Robinson. He suggested that this information be submitted to Council staff one week prior to the meeting so Council has enough time to fully review it. He noted the need for timely and responsible review and stated that these practices cannot continue.

Ms. Kelleher stated that she has not yet received the requested information. Mr. Spencer stated that the information is due to Council staff on September 28.

Mr. Robinson noted his hope of meeting with Herbein prior to meeting with Council in order to clarify some of the audit findings. He stated that Council will be receiving the microloan and NSP 2 information by the September 28 deadline. He expressed the belief that Herbein misinterpreted information.

Mr. Acosta again noted the need to have the information to Council one week prior to any meeting for timely review and meaningful discussion.

Mr. Spencer noted the need to set clear dates in order to address these issues.

Mr. Marmarou requested responses to past and repeat findings and why they were not addressed. *Note: these items will be discussed by Committee.*

Ms. Goodman-Hinnershitz suggested that clarification be requested by Herbein in writing and a written response requested. She stated that this is a clearer means of communication and will provide better documentation.

Mr. Acosta suggested that Herbein be present at the review meeting. Ms. Kelleher stated that she was making the meeting arrangements and would include Herbein. She reminded Mr. Robinson of the need to have the information one week prior to the meeting. She stated that the meeting will most likely be held the week of October 10.

Mr. Robinson questioned if this meeting would review all the findings or only the CD findings. Mr. Spencer stated that it would be the CD findings only as the others would be reviewed with Mr. Geffken.

Mr. Robinson requested that Mr. Lowenstein and Mr. Boscov also be present to explain the programs. Mr. Acosta disagreed with their attendance. He stated that the City staff is ultimately responsible and accountable for these programs.

Ms. Goodman-Hinnershitz agreed with Mr. Acosta and stated that the City is fiscally responsible for all funds that are dispersed. She stated that having others at the meeting will cloud the issues.

Mr. Acosta stated that Council is not questioning what was done but rather looking at the findings. He stated that the only issue with the microloan program apart from the lack of Council approval is that there is not a signed contract. He stated that the lending practices are not an issue.

Mr. Robinson stated that Council staff will have the information on the microloan program and the NSP2 program on September 28. He stated that he will submit the other information after speaking with Herbein.

III. Casino in Reading Article in Reading Eagle

Ms. Reed stated that she requested this topic be added to the agenda. She stated that the City needs sources of non-traditional revenue and the body needs to discuss whether they support this concept. She stated that this would be a good opportunity for Reading and noted the need to be proactive in pursuing the license. She stated that the former Glidden site and the bottling works site would be appropriate in both size and location. She stated that discussions need to begin.

Mr. Spencer questioned if the Administration supports the concept. Mr. Geffken stated that the Administration supports the concept. He stated his hope that the casino would be within City limits and noted that a percentage of revenues would be paid to the City. He stated that he did check with Chief Heim about police impacts. Chief Heim stated that State troopers assist with casinos and it would not largely impact the Police Department. He stated that he has no knowledge of investors or license issues.

Mr. Spencer questioned if the Administration reached out to Bethlehem to discuss their experiences. Mr. Geffken stated that they have not.

Mr. Marmarou stated that Wyomissing wanted a casino in the past but was not willing to share revenue with Reading. He noted the need to work with neighboring municipalities.

Ms. Reed stated that Reading needs the revenue and she would be willing to speak with other municipalities and other local and State officials.

Mr. Marmarou described the decrease in trips to Atlantic City caused by the start of Pennsylvania casinos.

Mr. Robinson stated that casino licensing is controlled by State law. He stated that contiguous municipalities all share the revenue.

Ms. Goodman-Hinnershitz stated that the Council on Chemical Abuse has done a problem gambling assessment for the Reading area. She stated that the City needs to think big and have a strong marketing plan. She noted the need for a regional approach and that revenue from hotels, restaurants and other attractions will also increase with a casino.

Ms. Reed noted the need for the Administration and Council to be unified on this issue and that the unity needs to be publicized. She noted the need for one point person in the City who will take the lead. She noted that this is a great opportunity for the City.

Mr. Marmarou agreed and stated that large businesses should be approached for their support.

Ms. Reed noted that the City needs to move forward on this quickly.

Mr. Spencer noted the need for the City to understand what is required. Mr. Geffken stated that he has just reached out to the Bethlehem City Manager.

Mr. Sterner agreed with the need for the casino. He noted the need to start making contacts with investors and be proactive to receive a license. He suggested that those interested in investing in the proposed Wyomissing casino be contacted.

Mr. Spencer noted the need to contact State legislators to begin lobbying for Reading. He noted that their assistance will be needed.

Ms. Goodman-Hinnershitz stated that this would be financially good for the City. She noted that there will be pushback on the gambling issue from organizations in the community.

Mr. Acosta noted the need to be responsible.

Mr. Spencer stated that there is much groundwork to be done.

Mr. Acosta suggested that the groundwork begin now.

Mr. Spencer requested follow up by the Administration. *Note: Mr. McMahon has reached out to developers.*

IV. Blighted Property Review Committee – Eminent Domain and Appraisals

Mr. Spencer noted his hope that many blighted properties will be rehabilitated. He stated that there will be eminent domain costs to gain control of the properties when the owners are unwilling to voluntarily give the property to the City.

Ms. Reed stated that eminent domain is a legal process which can take up to 18 months.

Ms. Kelleher stated that originally the eminent domain process was delayed due to issues with the Redevelopment Authority. She stated that those issues are resolved and the Redevelopment Authority is ready to move forward. She stated that the Redevelopment Authority cannot begin filing for eminent domain until CD performs the title searches and appraisals for the properties.

Mr. Acosta questioned the cost for the appraisals. Ms. Reed stated that it is a flat fee per property.

Mr. McMahon arrived at this time.

Ms. Kelleher stated that the solicitor to the Redevelopment Authority has estimated a cost of \$22,000 per property to complete the eminent domain process.

Mr. Robinson stated that CD funding will be used but only on properties with an end use.

Ms. Reed questioned why the City was funding the process. Mr. Robinson stated that slum and blight is CDBG eligible.

Mr. Waltman arrived at this time.

Ms. Kelleher stated that the process and cost will be different for each property depending on the owners and the condition of the property.

Ms. Goodman-Hinnershitz noted the need to also examine blighted properties as a cost to the City in fire calls and neighborhood quality of life issues. She stated that funding for the Blighted Property Review Committee should be increased. She stated that it is counter productive to rebuild neighborhoods when blight is present.

Mr. Geffken stated that CD needs to perform the appraisals and title searches. He stated that this information will be submitted to the Redevelopment Authority to move the process forward.

Mr. Spencer noted the need for increased funding. Ms. Kelleher stated that there are currently 17 properties in the eminent domain process and 80+ currently in the blighted property process. Mr. Robinson stated that increasing funding for blighted properties would decrease funding in other programs. He noted his hope that blighted properties receive funding only from HOME and NSP 2 program funds.

Mr. Spencer also noted the need for an end user if properties are demolished. He noted that the City does not need more vacant lots. Ms. Kelleher stated that lots can be obtained by the City— deed in lieu of lien when the City pays to demolish properties – or the owner can retain the property. She noted her hope that lots transferred to the Redevelopment Authority can be used for infill housing or in other cases for clearing entire blocks for development.

Mr. Waltman noted the need for this strategy to fit into the City's overall strategies. He stated that Reading has many blighted properties and noted the need to prevent additional neighborhoods from becoming blighted. He expressed the belief that the blighted property process cannot break down.

Mr. Geffken stated that the City is working to implement the Housing Strategy but is unsure where additional funding can be found.

Mr. Robinson stated that misinformation was contained in an email regarding this issue. He stated that there is funding available for emergency demolitions and stated that this funding could be reprogrammed to the blighted property process if it is unused. Ms. Kelleher stated that will not be enough. She noted that the emergency demotion money for 2011 is gone. Mr. Robinson stated that if blighted property funding is increased decreases need to be made elsewhere.

Mr. Waltman stated that properties are in the process for an extended period of time. He stated that this initiative must proceed to be successful and noted that extensive planning is done to choose the properties. He stated that a haphazard approach will not be successful and will frustrate the Blighted Property Review Committee.

Ms. Goodman-Hinnershitz stated that the City does not have a working comprehensive plan. She noted that properties should be identified in strong neighborhoods to prevent further decline and noted the need to prioritize properties.

Mr. Spencer stated that Habitat for Humanity, Our City Reading and Neighborhood Housing Services are willing to assist in the rehabilitation process. He stated that there are agenda items before Council this evening which will remove blighted property funds. He expressed the belief that the effort should be on the Blighted Property Review Committee.

Ms. Reed stated that CD programming should correlate to core services. She stated that blighted properties are creeping all over the City and are impacting everyone.

Mr. Spencer noted the need to prioritize funding. He stated that the Redevelopment Authority is discussing incurring debt to assist this initiative and gain control of large tracts of land.

Mr. Waltman stated that this issue goes beyond funding. He stated that there are also planning issues and expressed the belief that if the City pays for demolition, the owner should not retain control of the property. He noted the need for all to support the blighted property process.

Mr. Sterner stated that there are too many entities doing the same work but are not coordinating their efforts. He noted that many of these entities have their own funding but need to get on the same page.

Mr. Denbowski arrived at this time.

Ms. Kelleher stated that a meeting has been scheduled to discuss the issue but that the resolution to decrease funding is on this evening's Council agenda. She stated that these resolutions would eliminate all blighted property funding and would stop the process.

Mr. Spencer suggested that these items be tabled pending further discussion.

V. Agenda Review

Ms. Kelleher distributed legislation which the Administration requested be added to this evening's agenda. Ms. Goodman-Hinnershitz stated that it would be unethical to take action on items with no time to review them prior to action.

Mr. Spencer suggested adding only ordinances for introduction and consider the resolutions at the October 10th meeting. He questioned if the award of contract was time sensitive. Mr. Geffken stated that street paving is time sensitive. He agreed that items not be considered for action if there are questions.

The agenda for this evening's meeting will be amended to add ordinances transferring funds to cover the costs of the sewer main breaks, amending the Quality of Life ticket program, amending the Housing Permit process, and amending the Zoning Ordinance. An award of contract will be added to the consent agenda for street paving.

Council reviewed this evening's agenda including the following:

- Award of contract for the installation of a pedestrian signal at 5th & Bingaman Sts

Mr. Geffken stated that the cost of the signal is less than that required for Council approval but noted that including it on the agenda is good for closure of the issue.

- Ordinance amending the Quality of Life ticketing program

Mr. Acosta stated that residents are not aware that they are responsible for the alleys behind their homes. He stated that many tickets have been issued on this item. Ms. Kelleher stated that this is why the amendment is being introduced. She stated that the alley ownership is a State regulation and this will clarify the issue for residents.

Mr. Acosta stated that tickets are already being issued. He noted his concern that they are being issued before clarification given. Mr. Younger stated that the ordinance already applies as language is in the current ordinance regarding alleys. He stated that this clarifies the issue for residents.

Mr. Spencer stated that Council was concerned with curb and alley issues. He requested that these items not be enforced if they are unclear.

Ms. Goodman-Hinnershitz stated that much of the general public does not know they are responsible to care for their alley. She expressed her belief that the City should educate residents on this issue before enforcement begins.

Mr. Marmarou stated that he has received complaints about the appeal process.

Mr. Acosta stated that the spirit of the law is good but there has been unfair implementation. He stated that residents should not be responsible for the litter of others.

Ms. Reed stated that it is part of the responsibility of residents to keep their property clean and maintained. She stated that residents should call major problems into the Service Center but that lackadaisical attitudes of residents regarding maintenance and cleanliness cannot continue.

Mr. Spencer stated that many residents don't check their rear alleys regularly. Mr. Younger stated that the onus is on the owner.

Mr. Waltman stated that this is why he did not support the ticketing program from the beginning. He stated that Property Maintenance personnel need to know their community. He stated that many properties that need to be addressed are not and those who try to make the community better are slapped.

Mr. Spencer stated that this amendment is being introduced this evening. He stated that further discussion is needed.

Mr. Waltman stated that Lancaster is much cleaner than Reading.

- Ordinance amending parking meter zones and hours of operation

Ms. Reed stated that she supports the amendment since it only affects meters within a one block radius of the Sovereign Center.

Mr. Spencer stated that many area businesses and churches will be impacted by this amendment.

Ms. Reed expressed the belief that this is a good compromise with the Parking Authority.

There was discussion on the number of affected downtown churches.

Mr. Spencer noted the need for the affected area to be publicized.

Mr. Acosta noted the need to communicate this change to the businesses affected.

Ms. Goodman-Hinnershitz stated that people do not understand the amendment. She noted that the intent is to increase use of the garages by those attending Sovereign Center events. She suggested displaying a map for better understanding.

Mr. Waltman stated that meter use is already confusing. He stated that people will get tickets and noted that enough damage is done through strict enforcement.

Mr. Marmarou stated that the target of this amendment is people using the Sovereign Center. He stated that these people should pay to park at events.

- Ordinance authorizing the use of Municibid for public sale of City property

Mr. Spencer questioned the cost of this program. Mr. Younger stated that there is no cost to the City. He stated that the buyer pays a premium to Municibid.

Mr. Spencer questioned how items are sold currently. Mr. Geffken stated that items have not been sold for some time. He explained that this would allow the City to reach a wider audience and sell items more frequently. Mr. Younger stated that the sale of items is controlled by State statute and that Reading's Home Rule Charter status allows the City to use this method.

- Resolutions making appointments to the Recreation Commission

Mr. Spencer questioned how many applications were received. Ms. Katzenmoyer stated that she has received seven applications.

Mr. Spencer stated that the City may name three appointees. He stated that he has had discussions with the School Board regarding those who applied and are not named by the City could be considered by the School Board.

Mr. Acosta stated that the Administrative Oversight Committee wishes to interview all the candidates before naming appointments.

Mr. Denbowski stated that the Acting Superintendent is also open to the School Board speaking with candidates who applied but were not appointed by the City.

Mr. Acosta questioned if the School District appointment process was similar to our process. Mr. Marmarou stated that applicants are interviewed by School Board members. Ms. Kelleher stated that she shared the City's application form and offered to assist with background checks as needed.

Mr. Spencer stated that he requested these resolutions be added to the agenda for discussion purposes only.

Mr. Marmarou stated that it is wrong to continue to extend the timeline.

Mr. Spencer stated that the resolutions making citizen appointments will be withdrawn from the agenda.

The meeting adjourned at 6:55 pm.

Respectfully Submitted
Linda A. Kelleher, CMC, City Clerk