

**City of Reading
City Council
Work Session
Tuesday, January 18, 2011**

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

Others Attending: C. Younger, F. Denbowski, L. Kelleher, F. Denbowski, C. Geffken

Vaughn D. Spencer, President of Council, called the Work Session to order at approximately 7:12 pm.

CORE Presentation – Reading-Berks Association of Realtors
(Redevelopment Authority Members – D. Luckey, M. Lauter, T. Auman were present for this presentation.)

Chuck Leidike, Government Affairs Director for the Reading-Berks Association of Realtors, stated that CORE is an acronym for Community Reinvestment Project, whereby the Reading-Berks Association of Realtors would assist in the marketing and placement of first time home owners, teachers, public safety officials, and others in City residential properties. Mr. Mohn, realtor and chair of the CORE committee, distributed a handout of the power-point presentation. He noted that the CORE project began in Baltimore, MD over a number of years. He stated that as of January 29, 2010, Baltimore saw 273 properties settled with a \$6M net value to the City. He stated that a similar project called SCORE started in Philadelphia during 2008-2009 by the PA Association of Realtors. He stated that the Philadelphia project looked to remarket City owned properties.

Mr. Mohn stated that the CORE project focuses on owner occupied, not rental, properties. He stated that this would be the first third-class PA city to begin the CORE project. He explained that CORE project will also help remarket Reading in a positive way. He suggested seeking a deed restriction which would require rehabilitation within one (1) to two (2) years or have the property revert to City ownership. Ms. Kelleher noted the need for further legal review.

In response to a question Mr. Mohn stated that the realtor's commission is not set, but negotiated due to the anti-trust regulations. He stated that only certified and trained agents would be eligible to participate as CORE agents. He stated that the City would select the properties to enter in the CORE project. Mr. Mohn stated that the PA Association of Realtors is currently seeking partnerships with individual financial institutions to assist with financing rehab projects.

Managing Director's Report

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

- The Administration's work to resolve issues with the phone system in the Service's Center
- Announcing that Controller Chris Zale began working for the City on December 27th
- Announcing that the Accounting Manager, Danielle Fox, will began working for the City on February 14th.

Council Staff Report

Mr. Spencer inquired if Council had any questions on the Council Staff Report included in the Work Session agenda.

Ms. Kelleher highlighted the following:

- The LRA Navy Marine project
- The need to obtain viable candidates for the City's Boards, Authorities, and Commissions
- Update on the Granicus installation in the Penn Room

PFM Financial Policies

Ms. Kelleher distributed a handout from Mr. Mann from PFM responding to Council questions from the December Workshop.

Council discussed the apparent conflict between the internal elected Auditor responsibilities versus the Controller responsibilities. The elimination of the elected Auditor position was discussed, as it is redundant. Council suggested meeting with the elected Auditor to discuss his responsibilities, duties, and policy issues.

Mr. Waltman noted the need to find a proper balance in the financial policies, noting that the policies are not a hammer to beat the Administration, but a hammer to provide protection for them.

The policies will be further discussed at a Committee of the Whole meeting on Monday, January 24th, 2011.

The Work Session adjourned at approximately 8:45pm.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk