



# *CITY COUNCIL*

## *Economic Development Committee*

**Monday, June 3, 2013  
Meeting Report**

**Committee Members Attending:** Dennis Sterner (Chair), Donna Reed, and Strat Marmarou

**Others attending:** L. Kelleher, R. Corcoran, M. Goodman-Hinnershitz, C. Snyder, C. Younger, L. Murin, E. Lloyd, V. Spencer

The meeting was called to order at 6:13 pm.

### **Review Administrative Reports**

Ms. Snyder reiterated that due to communication issues within the Administration, the reporting will begin in July. She inquired if Planning submits regular reports. Ms. Kelleher stated that Planning prepares an annual report only. She also noted that Zoning is also required to submit an annual report; however an annual report has not been submitted since the early 2000s and she noted that the problem may stem from the turnover in Zoning Administrators over the past decade.

### **Abe Lincoln Project Report**

Mr. Shuman stated that he purchased this property which will operate as a historic hotel. He stated that the historic hotel will not compete with the Doubletree as it will draw a client who prefers the amenities offered by a historic hotel, rather than a newly constructed hotel.

Mr. Shuman stated that the low income residents are being relocated to other facilities. The restaurant had soft openings for lunch today and for dinner on Saturday, June 1.

He stated that he is currently negotiating with retailers who will operate in the first floor space and will offer services that support the hotel operations and clients.

Mr. Shuman described the renovation project, including the refurbishing of the original chandeliers located within the ballroom. He stated that the project received a 20% historic tax credit and he explained the review process that is required under that program. He explained that the renovations will occur in stages while the hotel is open and running. He stated that the renovation should be completed by sometime next year. He noted that he plans to install a gym and swimming pool in the basement area.

Mr. Shuman stated that the hotel will offer extended stay and single room reservation. He stated that the hotel is 100% booked for the Jehovah Witness convention. He explained that the hotel is booked quickly during this convention due to the price break negotiated.

Ms. Snyder asked Mr. Shuman to describe his experience with the permit approval process. Mr. Shuman stated that developers who follow the code do not have any problems and that following the Code makes the process flow smoothly. He noted that at times the Building/Trades officials miss various components in building plans then try to address or correct them prior to the issuance of a certificate of occupancy, which is problematic. He also stated that while he can understand the 30 day review process for large projects, he cannot understand that lengthy time period for the approval of small renovation projects.

Ms. Kelleher added that it takes 15-30 days for permits to be issued for small maintenance projects with residential property owners. Mr. Shuman agreed that it should not take 15-30 days for a permit to be issued. Mr. Spencer and Mr. Lloyd stated that a temporary employee in Trades allowed the backlog to be cleared; however, a permanent solution to the timely issuance of permits must be created to avoid repeating the backlog.

### **Report re May Economic Development Summit**

Mr. Spencer stated that his trips to Detroit and Pittsburgh shaped his economic development plan. He stated that his recent economic development meeting with internal staff and the City's Authorities provided all with information about their role in the economic development process. He stated that the next meeting will be held after a study period where the group attending will make a recommendation on the type of economic development vehicle to be used and determine how much capital each group

can invest in the CDC model. He stated that all who attended understand the need for the group to work cooperatively.

Mr. Murin stated that during the three to four month study period the group will consider what structure the economic development vehicle will take and what governance should be in place.

Mr. Spencer stated that before the economic development vehicle is created this group can act as an economic development council to review projects. He stated that the economic development vehicle will either be created publically or privately. He described the plan to draw in outside agencies such as Greater Berks Development, who holds the City's PIDA and Greater Reading Economic Partners to work jointly and cooperatively with this group.

Ms. Goodman-Hinnershitz requested that this issue be prioritized on the Podio platform so Council can receive regular updates on the progress the group is making on economic development.

## **Other**

Mr. Sterner inquired if there is a list of properties that are available for redevelopment within Reading. Ms. Snyder stated that an Economic Development Map has been created as a spinoff from the adoption of the Act 537 Plan, due to the need to plan for future water/sewer needs.

Mr. Sterner noted the need for the Administration to provide timely reports to this Committee and to the body of Council regarding potential redevelopment projects.

Ms. Goodman-Hinnershitz suggested prioritizing this issue in the Podio platform so Council can receive updates on redevelopment projects.

Mr. Lloyd suggested inviting the Redevelopment Authority to make a presentation.

Mr. Spencer stated that a memo from HUD was received this morning showing that the City was approved for a total of \$2.49M in CDBG funding for 2013, which is a slight reduction from last year. He stated that the HOME program was reduced to \$752K and ESG was reduced to \$170K.

Ms. Reed and Ms. Goodman-Hinnershitz noted the need for a report on the availability of un-programmed funds which can be used to fund additional initiatives and projects, such as the repaving of Cotton Street. Ms. Snyder stated that a report will be prepared and submitted for the June Finance Committee meeting.

The meeting adjourned at approximately 7:30 pm.

*Respectfully submitted by Linda A. Kelleher CMC, City Clerk*