

**City of Reading City Council
Special Meeting
Monday, November 3, 2014**

Council President Francis Acosta called the Special meeting to order.

ATTENDANCE

Council President Acosta
Councilor Daubert, District 1
Councilor Goodman-Hinnershitz, District 2
Councilor Sterner, District 3
Councilor Marmarou, District 4
Councilor Reed, District 5
Councilor Waltman, District 6
City Auditor D. Cituk
City Solicitor C. Younger
City Clerk L. Kelleher
Managing Director C. Snyder
Mayor Spencer

PUBLIC COMMENT

Council President Acosta opened the floor for public comment and read Council's public comment rules.

Ernie Schlegel, of Pear Street, expressed his support for the Penn Square project. He questioned why so few developers responded to the RFP for this project. He questioned what the City is doing incorrectly. He expressed the belief that subsidized housing works well; however, landlords are often lax with maintenance and repairs to properties. He noted the water charges for the tenants of the buildings, which are mostly vacant. He stated that filling the buildings with businesses will drive the use of water/sewer higher and benefit the City and RAWA.

APPROVAL OF THE AGENDA & MINUTES

Council President Acosta called Council's attention to the agenda for this meeting.

Councilor Sterner moved, seconded by Councilor Marmarou, to approve the agenda for the Special Meeting. The motion was approved unanimously.

Ordinances for Final Passage

A. Bill No. 82-2014 - naming Our City Reading as the developer for the Penn Square Properties Project and authorizing the execution of the developers agreement (**Man Dir**)

Introduced at the October 13 regular meeting; Tabled at the October 27 regular meeting

Councilor Marmarou moved, seconded by Councilor Daubert, to enact Bill No. 82-2014.

On the lack of architectural renderings for the buildings, Councilor Sterner stated that he understands avoiding the cost to developing renderings until the selection of the developer is completed. He questioned when Council will be provided with the renderings and with updates on the progress made at the properties. The Mayor stated that those issues are a component of the agreement with the developer.

Councilor Sterner expressed his hope that Council will be kept well informed as the project proceeds.

The mayor distributed a copy of the highlights on the developer's agreement.

Councilor Goodman-Hinnershitz stated that discussion and debate on this project made an interesting journey. She expressed hope that the administration now seed the need to place specifics in future development RFPs that will provide clarity to those responding, such as desired end results, expectations and timelines. She stated that the State RFPs contain these specifics. She stated that using specifics creates a win-win situation for all parties.

The mayor stated that he does not understand why Council continued to question the proposal. He also expressed the belief that renderings often undergo many changes as projects go through the development phases.

Councilor Reed thanked Mr. Boscov for responding to Council's questions that were submitted last Wednesday. She stated that as Council reviewed this project their comments and questions were never issued with malicious intent. She stated one of Council's main responsibilities is to make fiscally responsible decisions. She thanked Mr. Boscov for retaining his confidence in Reading.

Councilor Waltman expressed his belief that the downtown is struggling night and day. He stated that his objections to this project are not related to the Boscov proposal, but about the City's lack of vision and direction for the downtown. He stated that at one time the downtown had vibrancy and energy. He expressed the belief that vision and zoning must work together. He stated that Reading has endless capacity when compared to other 3rd Class sized cities. He stated that working to define the downtown's vision and direction could allow the downtown to exceed the success of other 3rd Class sized cities. He suggested that Council and the mayor work together in January 2015 to begin to develop the vision and direction for the downtown.

While Mr. Daubert noted his agreement with Councilor Waltman's statement, he expressed the belief that the development proposed for these buildings and the vision are not mutually exclusive.

Councilor Waltman stated that Reading stumbles about without defined vision and direction. He stated that the City's efforts will not work in a successful and orchestrated fashion until the City defines its vision and direction for the downtown. He noted the need for the City to define what it wants the downtown to be and then take the steps to achieve that goal.

Councilor Goodman-Hinnershitz noted the need for Council and the administration to act responsibly and to follow the defined process, while being business friendly. She stated that good results occur when all "ducks are in a row".

Councilors Waltman and Goodman-Hinnershitz agreed with the need to review and correct the process used for this development project and then to develop a defined vision for the downtown in January 2015.

The mayor expressed the belief that the issue regarding the selection of a project developer caused the wheel spinning. He thanked the Council President for asking Council to submit questions.

Councilor Waltman explained that initially Council was asked to authorize the administration to negotiate a development agreement and now approve the selection of the developer for the project.

Council President Acosta stated that he is pleased that this chapter is closing. He agreed that the downtown needs much work to overcome its issues. He noted a variety of contributing factors that the administration and Council must continue to address. He stated that some of the issues in the amended Recovery Plan are already in progress. He expressed the belief that correcting the downtown is an issue that will take longer than four (4) years.

Bill No. 82-2014 was enacted by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Sterner, Acosta, President - 5

Nays: Reed, Waltman - 2

Council Comment

Council President Acosta expressed concern with the poor and unclear wording used in Referendum Question #7 and that if the question is approved it could have a negative impact on this project, among other things. He suggested that the electorate vote NO.

The mayor stated that it is not the intent of a municipality to own and sell their assets which is why municipalities create Land Banks and Redevelopment Authorities.

Councilor Goodman-Hinnershitz thanked the Council President for delaying the vote on Bill 82, which allowed time to obtain responses to the many questions. She took issue with the mayor's statement that Council's questions were repeated and issued to create delays.

Councilor Reed moved, seconded by Councilor Sterner, to adjourn the special meeting of Council.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk