



CITY COUNCIL

Committee of the Whole

Monday, January 11, 2016

5:00 pm

Agenda

Although Council committee meetings are open to the public, public comment is not permitted at Council Committee of the Whole meetings. However, citizens are encouraged to attend and observe the meetings. Comment from citizens or professionals during the meeting may be solicited on agenda topics via invitation by the President of Council.

All electronic recording devices must be located behind the podium area in Council Chambers and located at the entry door in all other meeting rooms and offices, as per Bill No.27-2012.

- I. Appointment of District 6 Councilor**
- II. Update on Penn Square Properties – A. Boscov**
- III. Parking Authority re 2016 contribution – G. Wegman**
- IV. Agenda Review**
- V. Other Matters**



COMMITTEE of the WHOLE
CITY COUNCIL

MINUTES
December 21, 2015
5:00 P.M.

COUNCIL MEMBERS PRESENT:

S. Marmarou, D. Sterner, M. Goodman-Hinnershitz, C Daubert, J. Slifko, J. Waltman

OTHERS PRESENT:

L. Kelleher, S. Katzenmoyer, C. Younger, C. Snyder, T. Butler

The Committee of the Whole meeting was called to order at 5:01 pm by Mr. Waltman.

I. Executive Session

Mr. Waltman noted the need for an executive session on personnel matters.

Council entered executive session at 5:01 pm and exited at 5:08 pm.

Mr. Spencer arrived at the meeting during the executive session.

II. Land Bank

Mr. Peiffer, Ms. Reed, and Mr. Schmehl arrived at this time.

Ms. Butler stated that she was in attendance to review the Land Bank process and answer questions.

Mr. Kromer arrived at this time.

Ms. Butler stated that the soonest the Land Bank would actively pursue properties is June 2017. She stated that this allows an abundance of time to refine the ordinance and bylaws and to update the City's housing strategy.

Mr. Cituk arrived at this time.

Ms. Butler stated that the Land Bank could acquire and hold properties. She stated that the purchase would be made at tax sale after a qualified developer has been found for the property. She stated that in situations where there are other interested bidders it would be a competitive bid. She explained that the developer would be present and active during the bidding process.

Ms. Butler stated that all developers and individuals would be considered by the Land Bank. She stated that neighbors would still be able to acquire properties if the Land Bank determines that they are the best option.

Ms. Butler stated that an Administrative representative was added to the Land Bank.

Mr. Kromer noted his experience with other municipality's land banks. He explained that the Land Bank will not own properties but will facilitate transactions to get blighted properties back to active, tax paying properties. He stated that the County Tax Claim Bureau cannot determine the credentials of developers and that the Land Bank must have the consent of the Tax Claim Bureau to bid. He explained that the Land Bank would sign an option agreement with the developer. He explained that the Tax Claim Bureau would announce the Land Bank's interest at the sale. He stated that generally speaking the properties that the Land Bank would pursue are blighted and have no market interest. He stated that there is value in getting the Land Bank started.

Mr. Kromer noted the need to educate developers. He stated that properties are not conveyed for 2-3 months after tax sale and that this time can be used to work through zoning, planning and trades reviews to begin work to rehabilitate the properties when they are conveyed.

Mr. Slifko stated that he does not understand the advantage of the Land Bank. He also questioned how the Land Bank would determine the quality of developers. Mr. Kromer stated that notice is given to lien holders early in the sale process and that the Land Bank would advertise its intent to purchase properties to determine competing interests. He noted the Land Bank's ability to target properties in strategic locations.

Mr. Slifko requested a specific example. Mr. Kromer stated that the Land Bank can support specific developers and work with them to acquire properties in a more efficient manner. He noted that the Land Bank would acquire properties selectively. He stated that Land Bank regulations have been upheld in Court in other States.

Mr. Daubert questioned if the Land Bank has the power to acquire properties regardless of others bidding. Mr. Kromer stated that it can but that in Reading's case, it would not pursue properties if others are interested.

Ms. Goodman-Hinnershitz explained that Habitat for Humanity could not bid competitively on properties in her neighborhood but they had a rehabilitation plan. She stated that the successful bidder has not improved the properties. She questioned how the Land Bank would determine developer qualifications. Mr. Kromer stated that the City could support certain developers and give them preference.

Mr. Waltman stated that the Land Bank would not be at a sale unless a developer has been found. He stated that the Land Bank could be very useful if it is kept competitive and does not exclude developers. He noted his concern with favoritism with developer selection and noted the need for benchmarks and plans. He noted his concern moving this legislation forward right before the transition and suggested that it move forward in 2016.

Ms. Reed expressed the belief that the Land Bank should move forward now and that it be amended as necessary in the future.

Ms. Goodman-Hinnershitz stated that Mayor-elect Scott has stated publicly that he does not support the Land Bank. She stated that if this is not moved forward by Council it will not move forward.

Mr. Waltman stated that pushing to get it done at the last minute is not practical. He noted the need to give Mr. Kromer time to work with the new Administration. He noted the need to have their buy-in for the Land Bank to be successful.

Ms. Reed stated that Mr. Scott's opposition to the Land Bank is not hearsay. She stated that Council can delay enacting the Land Bank but that in reality if it is not done now, all the hard work done by Ms. Butler, Ms. Kelleher, and Mr. Kromer will be for naught. She stated that there are options within the by-laws and safeguards are included. She stated that it would be negligent of Council not to move this forward as it will assist with urban planning.

Mr. Daubert questioned if Council would make the decisions on which properties to pursue. Ms. Butler stated that they would not but that the members of the Land Bank would be appointed by Council. She stated that the Land Bank would not be given preference but would need to participate in the competitive bid process when others are interested. Mr. Kromer explained that the base bid for properties to the Land Bank would be \$1,000 each. He explained that after the property is obtained the Land Bank must approach each municipality to which taxes are owed to agree to waive the collection of those taxes. He reminded all that when properties are acquired by a private owner, any amount exceeding that owed on taxes goes to the private lien holders.

Mr. Sterner stated that it seems that there is still some confusion. He suggested that Council wait to work with the new Administration. He stated that the Land Bank is only one tool that the City can use to acquire properties.

Ms. Snyder stated that two different variations were described this evening. She stated that the legislation does not describe the powers of the Land Bank but the bylaws do. She expressed the belief that neither variation is described in the current bylaws. She suggested that this is not ready to move forward.

Ms. Goodman-Hinnershitz stated that the timing of the legislation is unfortunate. She stated that Council should have gotten the Land Bank information sooner. She noted the need for Council to support the Land Bank philosophically and move forward. She noted the need for Council not to placate the new Administration.

Mr. Slifko echoed Ms. Snyder's comments. He stated that he read the Land Bank information several times and cannot find clarity. He noted the need for Council to have several examples and to spell out the goals of the Land Bank. He expressed support for this new tool but suggested that this information is too vague.

Ms. Reed stated that legislation does not carry over into the new year so the process must start again from the beginning.

Mr. Waltman noted the need to continue work on this issue and that this can be a great tool. He noted the need to educate the new Administration on this issue to get their buy-in. He noted the need for the City to be strategic with housing and to collaborate.

Ms. Goodman-Hinnershitz suggested that Council set time aside at a future meeting to discuss the Land Bank in detail. She suggested that perhaps a neutral facilitator attend.

She noted the need for all to be accountable. She stated that she will be looking to Council leadership to bring all parties together to work toward agreement.

Mr. Waltman expressed the belief that there is a big learning curve when new Mayors take office. He stated that reality hits quickly and that both the Mayor and Council must work together to improve the City.

Ms. Goodman-Hinnershitz suggested that the entire body of Council must be engaged. Mr. Waltman agreed.

Council will be withdrawing the Land Bank legislation on this evening's agenda.

Ms. Goodman-Hinnershitz suggested that a workshop be scheduled on this topic.

Mr. Kromer and Ms. Butler left the meeting at this time.

III. Comprehensive Plan

Mr. Peiffer stated that this is Council's second presentation and stated that he is seeking Council feedback.

Mr. Schmehl explained that many were involved in the drafting of the Comprehensive Plan including key stakeholder interviews, online and paper surveys and committees. He stated that the draft Plan has been reviewed by the Planning Commission and that there have been regional meetings and a Council hearing. He reminded Council that the Plan is not binding on the City.

Ms. Goodman-Hinnershitz stated that much of District 2 is preserved. She questioned how the land will be protected so that it is not developed. Mr. Peiffer stated that there are already strict regulations preventing development.

Ms. Katzenmoyer reminded all that there is currently a large building project occurring in Pendorf Park, which is zoned Preservation to prevent development. Mr. Peiffer stated that this is a recreation use and so is allowed. He stated that Council action was needed and was given.

Mr. Schmehl distributed the executive summary of the draft Plan.

Mr. Waltman stated that Council will be asked to adopt the Plan via resolution in 2016.

Mr. Schmehl stated that any additional feedback or questions should be forwarded to Mr. Peiffer.

Mr. Peiffer and Mr. Schmehl left the meeting at this time.

IV. Agenda Review

Council reviewed this evening's agenda including:

- Resolution denying the appeal of the COA for 1023 N 5th St

Ms. Kelleher stated that Neighborhood Housing Services has a low interest loan program available for this project.

Mr. Sterner stated that other properties already have similar installations and he does not support this denial.

Mr. Daubert stated that the property owners claimed not to know they were in an historic area at the Council hearing yet the Historic Preservation Officer stated that they had worked with her on a past project.

Mr. Slifko suggested that this be moved off the consent agenda. Ms. Reed stated that this decision is appealable and recommended that Councilors use care if making comments.

- Ordinance approving the 5th addendum to the Water Authority lease

Mr. Waltman stated that this addendum addresses the billing issue only.

V. Other Matters

- Ms. Kelleher stated that the Parking Authority will be attending the Committee of the Whole meeting on January 11, 2016.
- Ms. Goodman-Hinnershitz noted the need to address the unauthorized removal of condemnation placards. Mr. Waltman agreed.

The meeting adjourned at 6:06 pm.

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

