



# *COMMITTEE of the WHOLE*

## *CITY COUNCIL*

**MINUTES**  
**January 22, 2007**  
**5:00 P.M.**  
**Council Office**

### **COUNCIL MEMBERS PRESENT:**

D. Sterner, J. Waltman, S. Fuhs, S. Marmarou, M. Baez, V. Spencer

### **OTHERS IN ATTENDANCE:**

C. Kanezo, C. Younger, L. Churchill, L. Kelleher, A. Mukerji, C. Jones, R. Hottenstein

Vaughn Spencer, President of Council, called the Committee of the Whole meeting to order at 5:00p.m.

### **I. Pride Loans**

Mr. Mukerji informed Council of potential development occurring in the area of Tulpehocken and Gordon Streets, as part of the Buttonwood Gateway redevelopment project. As the particular neighborhood is in poor shape the City and County have been acquiring properties for demolition. In most cases the acquisition has been supported through friendly sales. However, in several recent cases a title issue has appeared on many properties.

Mr. Mukerji explained the particular issue is the payment of deferred payment loans (DPL) from the City's Housing Rehabilitation Program (PRIDE Program). As these loans are not forgiven, and oftentimes payments are not made, liens are placed against the property. Sometimes these liens prohibit the purchase due to the value of the house not covering the payment of the first mortgage and the City's DPL lien. In most situations, the owner will have little or nothing left after settlement making it difficult or impossible to obtain other housing. Even though the houses have been rehabilitated, the property values in the area have not increased to any great degree. Unfortunately the use of HUD funds to support demolitions leaves the City subject to the Fair Housing Relocation Act, which requires the City to provide relocations expenses for displaced families. This figure often far exceeds the value of the demolished home.

Mr. Mukerji explained how the simple economics of the situation are impeding development. In order to remedy the problem, Mr. Mukerji proposed the City consider a policy of only requiring 50% (approximately \$5,000) payment of the DPL for properties in the Buttonwood gateway area. Mr. Mukerji suggested such a policy would encourage home owners to sell their properties, accelerating the pace of acquisition.

Mr. Waltman asked how many properties the City and County anticipated acquiring. Mr. Mukerji noted approximately 95 properties need to be acquired; of this total Mr. Mukerji is unaware of how many will have a DPL lien. Mr. Waltman stated he is uncomfortable setting a precedent for loan forgiveness and would feel more comfortable if the long term plan for the Buttonwood Gateway redevelopment could provide some justification for the forgiveness. Mr. Mukerji described how the commercial/industrial development proposed throughout the Buttonwood Gateway area fits into the overall City development plan.

Mr. Fuhs and Mr. Sterner both noted the need for the City to engage projects in a timely fashion, noting how unfair it would be to residents of the area to prolong efforts. Mr. Mukerji assured Council redevelopment was being approached consistently and with the highest regard to residents of affected neighborhoods. Mr. Spencer suggested resuming discussions of loan forgiveness when all members of Council were present.

## **II. Appointment to the Police Diversity Board**

Ms. Kelleher informed Council of an email she received from Attorney Noel, informing her that the Police Diversity Board appointed Elisabeth Bienso to the board. This appointment was made without having waited for Council to discuss the appointment. Mr. Kanezo asked if the appointment could be considered valid as he was under the impression the terms of the Judges ruling indicated an appointment could not be made until both the board and Council agreed. Mr. Younger stated he believed those conditions had been set in the ruling. Mr. Waltman stated he believed the email received from Attorney Noel only indicated the board approved the appointment, it said nothing of the Ms. Bienso assuming the responsibilities of a board member.

Mr. Fuhs suggested an email be sent to the board verifying the appointment and ascertaining whether the board was under the impression that Ms. Bienso was serving without the approval of Council. President Spencer stated this is just the latest in a series of conflicts and misunderstandings between the Police Diversity Board and City Council. Mr. Waltman questioned why the board can function outside the accepted process of other City boards, authorities and commissions. Mr. Younger explained the Police Diversity Board is a unique entity, functioning under a grant of power provided by judicial decree.

Mr. Waltman argued against the authority of the courts to establish a City organization, which does not have to adhere to accepted City standards, practices and procedures. Mr. Younger invited Mr. Waltman to test the power of the courts and violate the Judges order. Mr. Waltman explained he was merely pointing out the chaos that has resulted from the courts inserting themselves into operational concerns.

Mr. Sterner agreed with the points raised by Mr. Waltman; adding he would have personally felt more comfortable if the Administrative Oversight Committee had an opportunity to conduct an interview. President Spencer recommended having a letter drafted from Council to the Police Diversity Board. The letter would express Councils desire to work cooperatively with regards to appointments. Ms. Kelleher pointed out how the board has been uncooperative in the past.

### **III. Executive Session- Sale of Airport Authority Land**

President Spencer called an executive session at 6:05p.m. The executive session ended at 6:45p.m.

### **IV. Agenda Review**

President Spencer reviewed the ordinances for final passage. Mr. Sterner read comments prepared in advance by Ms. Goodman-Hinnershitz regarding the proposed repeal of the fee associated with handicap parking signs. In the statement Ms. Goodman-Hinnershitz urged Council to pass the ordinance, citing the unfairness of the current policy. Mr. Marmarou asked what the cost to the City for the installation of a sign. Mr. Jones stated the fee of \$75.00 was reasonably close to the actual labor and material costs paid by the City.

Council agreed to table the ordinance regarding the meter parking on Washington Street, a request was made to discuss the ordinance further with Larry Lee. Council also agreed to table the ordinance assessing a fee from EMS reports. Mr. Hottenstein and Mr. Waltman provided brief explanation of the two ordinances related to the Business Privilege Tax.

The Committee of the Whole adjourned at 7:00p.m.

Respectfully Submitted

By: \_\_\_\_\_  
Linda A. Kelleher, City Clerk