

**Redevelopment Authority
Regular Meeting
September 21, 2009**

1. Call to Order

Mr. Disciullo convened the meeting at 7:00 p.m. in Council Chambers and led the salute to the flag.

Members Present: Harry Colon, Jon Kasitz, Jack Burkholder, Joseph Disciullo
Member Absent: Richard Stonewall

Staff Present: Harry Walker, Ruthann Mowday
Staff Absent: Patrick O'Donnell

Mr. Disciullo announced that the RDA held executive session on September 21, 2009 prior to the meeting.

2. Approval of Minutes

Mr. Kasitz made a motion to approve the minutes of August 17, 2009 with corrections; Mr. Colon seconded the motion. Motion passed 4-0.

3. Receive Accounts Payable

Mr. Colon motioned to approve the bills payable in the Operating Account in the amount of \$49,818.18, and Mr. Kasitz seconded the motion. Motion passed 4-0. The payables are as follows:

Pennsylvania American Water	\$456.33
Berkheimer Tax	\$10,694.05
National Construction	\$327.36
Office Depot	\$6.72
Briggs, Bunting & Dougherty	\$7,500.00
Patrick O'Donnell	\$2,593.75
Exit Elite	\$1,263.73
Sherwin Williams	\$86.67
PECO Energy	\$410.72
Daily Local News	\$90.38
Downtown Revival	\$11,858.85
A Security Locksmith	\$140.44
Adam Caligiuri	\$611.78
Arrick Wise	\$907.00
Noel Enterprises	\$12,455.40
Kistler O'Brien	\$415.00
Total	\$49,818.18

4. Presentation

a. Briggs, Bunting & Dougherty LLP – 2008 Audit, Carl Hogan

Mr. Hogan reviewed the financial highlights. They are as follows; As of December 31, 2008, the liabilities of the Authority exceeded its assets by \$1,519,316; During 2008, the Authority's deficit in net assets decreased by \$7,547; Management identified and sold nine properties in 2008 for \$291,350 in areas that were considered not vital to the redevelopment activities of the City in an effort to generate positive cash flow and pay down outstanding obligations; A reduction in variable interest rates on the Authority's Guaranteed Urban Redevelopment Note – Series of 2004 resulted in decrease in interest expense of \$154,715 during 2008; During 2008, the deed for a 34.50 acre parcel of land along Routes 82 and 30 was transferred to the Authority for the City for \$1. This parcel of land is the proposed site for a 125 room hotel and office building. The transferred parcel was recorded at fair market value of \$250,000.

Mr. Hogan stated the Authority's basic financial statements are comprised of two components: 1) basic financial statements and 2) notes to the basic financial statements.

The Authority's total assets as of December 31, 2008 were \$5,873,444, of which \$4,547,063 or 77.4% consisted of property held for resale. The Authority's total liabilities as of December 31, 2008 were \$7,392,760, of which \$6,999,156 or 94.7% was the Urban Redevelopment note payable.

The Authority's operating revenues for 2008 consisted primarily of rental income (\$226,071). The Authority's operating expenses for 2008 consisted primarily of salaries and fringe benefits (\$47,151 or 20.5%), professional services (\$40,675 or 17.7%) and property taxes (\$77,272 or 33.6%). As noted above, a reduction in variable interest rates on the Authority's Guaranteed Urban Redevelopment Note – Series 2004 resulted in a decrease in interest expense of \$154,715 during 2008.

At December 31, 2008, the Authority had total outstanding debt of \$6,999,156. The Authority's debt decreased by \$6,357 during 2008 due to the debt service payments.

b. Flats – Harry Walker

Mr. Walker announced the Flats project is somewhat complex and has involved the development of a comprehensive site remediation and storm water runoff plan, new boundary surveys, topographical plot maps and a revision to the official FEMA flood way and flood plain map redesignations. All of these studies are underway or complete. The remediation site plan and storm water management plan are approved by DEP and we only await approval by the Chester County Conservation District which we expect this week. The process has taken longer than expected because of the requirement by DEP to integrate each developers plan into a single comprehensive plan. Once we receive approval from the Chester County Conservation District, DEP will issue an approval permit and all developers can go to the next stage. For the City, that means we can begin construction on the Riverwalk.

5. New Business

a. Receive and consider Stacy Bjorhus as Finance Director for the Redevelopment

Mr. Disciullo made the motion to appoint Stacy Bjorhus as Finance Director for the Redevelopment Authority at the salary of \$12,000 per year; Mr. Kasitz seconded the motion. Motion passed 4-0.

b. Receive and consider a request to City Council of Coatesville for an extension of the time for commencement of performance under Deed dated September 27, 2006 from the City of Coatesville to the Redevelopment Authority of the City of Coatesville

Mr. Disciullo made the motion to approve a request to City Council of Coatesville for an extension of the time for commencement of performance under Deed dated September 27, 2006 from the City of Coatesville to the Redevelopment Authority of the City of Coatesville contingent on execution by Coatesville Inn Associates on the Dirt Fill agreement; Mr. Kasitz seconded the motion. Motion passed 4-0.

c. Receive and consider to have Planning Commission host a meeting with the Developers, Department of Environmental Protection, Brandywine Conservancy and the City Engineers

Mr. Kasitz made the motion to request the Planning Commission host a meeting with the Developers, Department of Environmental Protection, Brandywine Conservancy and the City Engineers; Mr. Colon seconded the motion. Motion passed 4-0.

6. Old Business

- a. Receive and consider approval to convert the outstanding balance of an existing Harleysville National Bank line of credit into a Five (5) Year Commercial Time Note

Mr. Disciullo made a motion to approve the conversion of the outstanding balance of an existing Harleysville National Bank line of credit into a Five (5) Year Commercial Time Note; Mr. Colon seconded the motion. Motion passed 4-0.

7. Citizens Comments

Sparticus Lewis –

Mr. Lewis inquired about the roof repairs on 312 Fleetwood Street. He stated he submitted the lowest bid. He questioned why he was not hired for the job? Mr. Disciullo replied the job was awarded prior to the submittal of his proposal. The original bids were received in May for patchwork and/or total roof replacement. Mr. Lewis stated there are contractors in the City in need of work. The City and RDA should look into using local contractors before going outside. Mr. Disciullo announced the RDA is working on acquiring a listing of local contractors and information will be posted on the website, newspaper and via email.

Patsy Ray

Ms. Ray thanked Mr. Chetty for cleaning up the lot at 300 East Lincoln Highway. Doug's Detailing is still parking vehicles unregistered and licensed on the lot. Mr. Walker stated a letter has been sent that all vehicles from this point forward will be towed if they are unlicensed and/or registered. Ms. Ray inquired about the payment for the Downtown Revival. She has received several calls regarding the maintenance payments. Ms. Mowday stated the payments were approved earlier in the payables and will be sent the following day. Ms. Ray thanked Mr. Pawlowski for his cleanup work.

John Pawlowski

Mr. Pawlowski explained he has completed all he can at 204-206 East Lincoln Highway. As he was working, he received several comments. Mr. Colon informed Mr. Pawlowski that Mr. Jaramillo volunteered to paint the arch.

Penn Crossing Homeowner

The homeowner of Penn Crossing asked the RDA for an update on the judgment against the properties. Mr. Disciullo announced Mr. O'Donnell is currently working on the issue. Mr. Disciullo asked the homeowner to contact Mr. O'Donnell regarding his specific case.

8. Next Meeting

Mr. Disciullo announced that the next regularly scheduled meeting of the RDA will take place on October 19, 2009.

9. Adjournment

There being no further business, Mr. Disciullo motioned to adjourn the meeting at 8:15 pm; Mr. Colon seconded the motion. Motion passed 4-0.

Respectfully submitted,

Jack Burkholder
Secretary