



BOSS 2020 REVITALIZATION COMMITTEE
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SINKING SPRING BOROUGH
BOSS 2020 REVITALIZATION STEERING COMMITTEE
BUSINESS & COMMUNITY ALLIANCE

MEETING MINUTES
FEBRUARY 19, 2015

Call to Order

Charles Coleman (President) called the meeting to order at 7:00 PM.

Present: Charles Coleman (President-D), Dave Meas (Secretary/Treasurer-ED), Jim Adams (ED), Brian Hoffa and Lisa Gantner (SSB Council), Gary Cirulli (Mayor), Ken Pick (Berks Redevelopment), Regina Shade (Borough Manager), Thom Ludgate (LEC) and Sam Loth (CDS).
Note: ED-Economic, D-Design, P-Promotion.

Approval of Minutes

Motion by Dave Meas to approve the Meeting Minutes of January 15, 2015. **Second by Brian Hoffa.** Motion passed.

Approval of Treasurer's Report

- Dave Meas reported that as of February 18, 2015 there is a balance of \$2,812.07 in the General Fund. Two deposits were made for the Restaurant Placemat Fundraiser; \$1,100 on 1/27/15 and \$1,400 on 2/17/15. Two checks were written to Rieck's Publishing for their portion of the proceeds; one for \$440 and a second for \$560. The BOSS net proceeds are more than \$1,500 to date.
- Sam Loth reminded the Committee that a 'postcard' Form 990 Non-profit Federal Tax Return will be due by May 15, 2015. He asked the Committee for a Motion to pay \$100 to Floyd Green Financial Services of Atlanta, GA to file the 2014 federal return.

Motion by Dave Meas to engage FGFS to file the BOSS form 990 tax return for 2014 and to pay FGFS \$100 for same. **Second by Lisa Gantner.** Motion Passed.

Motion by Jim Adams to approve the Treasurer's Report through February 18, 2015. **Second by Lisa Gantner.** Motion Passed.

Committee-of-the-Whole

BOSS 2020 Phase Two Revitalization Budget Presentation to Council on Feb 25, 2015

- Sam Loth distributed the Draft 7 document packet containing Project #1 and Project #2 budget estimates developed thus far plus the maps of both projects showing the differences and a project narrative and review of outside funding programs to consider. *(The updated Draft 8 Budget Package accompanies these Minutes).* He asked Thom Ludgate to explain the differences between Projects 1 and 2.

- Thom Ludgate said that **Project 1** is the fully built Phase Two which includes all the approach roads of Columbia and Cacoosing Avenues to a newly realigned 'squared off' intersection at Penn Avenue. This project includes the new Columbia Extension spur (retail street entrance). This project requires the Redevelopment Authority to **acquire 11 full properties and 2 partial properties**. The estimated total costs of acquiring properties, relocating owners and tenants, demolition and associated costs is **\$4.7 Million dollars**.
Project 2 is a slimmed down version of Phase Two that does not build the new Columbia Extension spur (no retail street entrance). This project requires the Redevelopment Authority to **acquire only 5 full properties and 2 partial properties**. Therefore the estimated total costs of acquiring properties, relocating owners and tenants, demolition and associated costs is **\$3.4 Million dollars**.
Thom said that while the slimmed down version of Phase Two saves the Borough a total of \$1.3 Million dollars over 2015-2016, **this strategy defers the building of the Columbia Avenue extension retail street to private developers**.
- Regina Shade asked about the private homes along Krick Avenue. If the Borough were to choose Project #2, the slimmed down version, **would that make the Borough directly responsible for acquiring Krick Avenue properties in the future?**
- Ken Pick & Thom Ludgate answered that because the Borough has adopted the Official Map as a zoning strategy for revitalization, the Columbia Avenue extension is designated as a public road. **The Redevelopment Authority, not the Borough would acquire properties**.
- Gary Cirulli asked if it might be a better idea overall to seek funding for and ultimately **build all phases** of the Revitalization Project? He suggested that this might be preferable to potential developers and would **demonstrate SSB's commitment to revitalization**. He asked what the cost would be to accomplish this?
- Thom Ludgate replied that the rough estimate total cost of Phases Two (Columbia/Cacoosing Intersection) and Three (New Retail Street to Shillington Road) would be \$3-5 Million dollars. If the Borough did not fund the projects with a loan or bond or some other form of debt instrument and used ONLY tax payer receivables, it would require a **millage increase of 3-5 mills**.
- Gary Cirulli then asked if that **investment could be recouped** from the resulting development that would occur?
- Thom Ludgate answered that the **person who could best answer that** would be the Borough Solicitor, **Chip Haws**, but that Thom thinks that maybe, yes, there could be an opportunity to recoup at least part of the investment. Thom went on to say that **another point to be considered** in this scenario is that money spent by the Borough might be wasted if a future **potential developer** would want to **build** a retail street in a **different configuration** than the one proposed in the Official Map.
- Regina Shade suggested that the Borough **could acquire the funding** to build the Phase Three retail street and **build** the new road **when or if the circumstances warranted it**.
- Brian Hoffa said he believes that once Phase Two construction is underway, developers will show an **increased interest** in the revitalization overall.
- Jim Adams asked whether **BOSS 2020 had researched** bonding or other **financing?**
- Sam Loth explained that the Borough has received its research and **advice from Concord Financial** in Executive Session during regular Council meetings.
- Brian Hoffa remarked that the overall **concern** was making the investment **without at least** some indication of further development.
- Lisa Gantner requested that the discussion **remain focused** on the issues at hand which include the budgets for the **two alternate** projects.
- Regina Shade said that currently, a bank loan is **preferable** to a bond issue because bank interest rates are lower.
- Brian Hoffa said that he agreed with Regina that the Borough could **set aside funds** to fill the funding gap in the project regardless of which version the Council approves.
- Thom Ludgate said that the Borough will need to commit funding totaling a minimum of **\$1.9 Million dollars** if the Council were to choose Project #2 (slimmed down project). This commitment is required in order for the Berks Redevelopment Authority to move forward on

acquisitions and also required to meet the minimum local matching funds needed to access the grant.

- Ken Pick agreed that the **Authority can move forward in 2015** with a commitment of \$1.9 Million dollars but that his agency will likely only spend around \$700,000 this year.
- Regina Shade spoke about the various different funding solutions that have been discussed recently. She said that she would **rather not use** all of the Borough's annual allocation of \$78,000 in **Liquid Fuels funding** to fund the revitalization projects. She asked how the Borough's **current \$500,000 Line of Credit** might fit into the funding formula?
- Thom Ludgate answered that the ultimate formula for funding the projects would be a decision of Borough Council and that the **Line of Credit is a separate** funding pool set aside to provide the necessary cash to begin the pedestrian improvement work along western Penn Avenue.
- Thom Ludgate suggested that the Resolution of Council to fund Phase Two revitalization in 2015 and 2016 should include a **minimum of \$1.9 Million dollars but allow up to \$2.8 Million dollars**. This would allow Council to act on changing circumstances in the near term.

Old Business

BOSS 2020 Grant Program for Smart Growth Projects

- The Reading-Berks Association of Realtors is interested in working with BOSS 2020 to apply for a \$15,000 Smart Growth Grant through the National Association of Realtors. This application could be submitted in the spring of 2015. The grant would be used for either a Borough Way-Finding Signage Project or a East/West/South Gateway Project.

Facade Improvement Grant Program

- Sam Loth reports that there are three projects now registered:
 - 4453 Penn Avenue - Jim Hong, Toll House Shoppes
 - 3419-21 Penn Avenue - Forrest Glass, Padgett Business Services
 - 3705 Penn Avenue - Steve Liptock, Express Care & Lube

Adjourn

Meeting adjourned at 8:15 PM.

Next Meeting: Thursday, March 19, 2015 @ 7:00 PM
Borough Council Chambers – Sinking Spring