

**MINUTES OF THE MEETING OF THE BOARD OF THE REDEVELOPMENT
AUTHORITY OF THE COUNTY OF BERKS**

June 23, 2020

Chairman Glenn Yeager called the meeting of the Board of the Redevelopment Authority of the County of Berks to order at 3:04 P.M. on June 23, 2020 via a Zoom meeting.

1. Roll Call:

The following Board members were present during the meeting:

Glenn Yeager, Chairman
Eileen Kastura, Vice Chairperson
Diodato Bassano, Treasurer
Pellegrino Orlando, Secretary
Thomas Ruth, Member

Also in attendance were:

Kenneth L. Pick, Executive Director
Peter Battaglia, Deputy Director
Kathy Heckman, Executive Assistant
Kathy Miller, Fiscal Officer
Thomas Dachowski, Housing Director
Daniel P. Becker, Esquire of Kozloff Stoudt, Solicitor

2. Reading and approval of minutes of the meeting of 5/19/20 and special meeting of 6/3/20:

Upon motion made by Eileen Kastura and seconded by Glenn Yeager, all members of the Board present voted to approve the May 19, 2020 minutes of the Board of this Authority.

Upon motion made by Glenn Yeager and seconded by Pellegrino Orlando, all members of the Board present voted to approve the June 3, 2020 special meeting minutes of the Board of this Authority.

3. Report of Treasurer:

Diodato Bassano presented the Profit & Loss Statement and the Balance Sheet as of May 31, 2020. A copy of said report is attached to these Minutes. Upon motion by Eileen Kastura and seconded by Glenn Yeager, all Board members present voted to accept the report of the Treasurer, including said Profit & Loss Statement and Balance Sheet, subject to audit.

4. Bills and Communications:

Diodato Bassano presented the list of payments to creditors representing the period of June 1, 2020 through June 24, 2020. A copy of said report is attached to these Minutes. Upon motion by Glenn Yeager and seconded by Pellegrino Orlando, all Board members present voted to ratify the list of payments to creditors.

There were no communications.

5. Reports of Committees:

There were no committee reports presented.

6. Unfinished Business:

a. Next Step Program & Rentals:

Kathy Heckman then gave a brief report on the "Next Step Program." There are twelve (12) contracts, six (6) of which have been extended due to the CARES Act and Governor Wolf's Order for the period from March 27, 2020 through July 24, 2020. Ms.

Heckman advised that the program has enough funding and is extended through the end of December 2020.

b. Colebrookdale Railroad:

Mr. Pick gave an update on the developments of Colebrookdale Railroad:

- i. Mr. Pick explained that Nathaniel Guest and the Colebrookdale Railroad Preservation Trust received a \$200,000.00 grant from Montgomery County to finish the Pottstown Station. Additionally, the Railroad received a \$170,000.00 Railway Heritage Grant from the National Railway Historical Society to be used for operating expenses.
- ii. Mr. Pick also explained that Christian Leinbach, Chairman of the Berks County Board of Commissioners, submitted an application and was awarded on behalf of Berks County and the Railroad, the National Association of Counties (“NACo”) Achievement Award for successfully creating a public-private partnership among Berks County, Montgomery County and the Colebrookdale Railroad Preservation Trust to save the Railroad and transform it into the highest rated heritage railroad in the Commonwealth of Pennsylvania. This was the first award that the County ever received from NACo.
- iii. Mr. Pick also advised that the Railroad is currently not providing passenger service due to the pandemic, however, Mr. Guest is trying

to figure out how to safely restart passenger service as soon as possible.

- ii. Mr. Pick advised that the Railroad is continuing its freight operations. He explained the Railroad recently received inquiries about possibly handling new freight customers as a result of the Strausburg Railroad redefining its business model and turning away its freight customers. Mr. Pick advised one potential customer is a lumber yard, and another is food products company. Nothing has been formalized.

c. Armorcast R.A.:

Mr. Pick advised that there is no report.

d. Housing Programs:

Thomas Dachowski advised that:

- i. 203 Cinder Street. This project is winding down and will be going on the market for sale shortly. There was a delay with the UGI gas connection that was recently resolved.
- ii. 367 Mohrsville Road. The property has been cleaned up and cleaned out. The contractor is now starting to put the property back together.
- iii. 310 N. 4th Street. This property is finished. The tenants are in the property. There are a couple of exterior items that the contractor has to finish.

e. Blighted Property Review Committee:

Tom Dachowski advised there is nothing new to report.

7. New Business:

Under New Business, Mr. Pick and Mr. Battaglia presented the following:

a. Small Business Restart Loan Program: Mr. Pick and Mr. Battaglia reported that the Small Business Restart Loan Program (“SBRL”) was launched on June 15th. The deadline for submission of applications was June 19th. Unfortunately, few applications were received because applicants thought the application process was too cumbersome. Consequently, the SBRL Program has been changed from a loan to a grant. The new grant application process began on June 22nd. Applications must be received by July 3rd. All applications will be reviewed by NHS not later than July 20th. As a result of the change from a loan to grant program, Mr. Pick and Mr. Battaglia are in the process of revising the guidelines and FAQs. During a recent discussion with HUD, HUD advised Mr. Pick and Mr. Battaglia of additional requirements relating to the duplication of benefits. In order to satisfy this requirement, the Authority must develop a process to identify the total business loss incurred by the applicant, as well as what funds the applicant received from other sources such as business insurance, FEMA funds, SBA funds, private loans, lines of credit, charitable donations, and other funding sources. Mr. Battaglia advised that in the event the applicant receives more money from federal, state and local sources of CARES Act funding, the Authority will be responsible to repay the difference. Mr. Pick advised that given that this is now a grant program and not a loan, the Authority will not borrow \$500,000 from Customers Bank. Accordingly, the total amount of the grant fund

has been reduced from \$2,300,000 to \$1,800,000. The two sources of the funds are \$800,000 from CDBG funds, and \$1,400,000 from the CARES Act.

b. Workplace Health and Safety Protocols: Mr. Battaglia explained that the Workplace Health & Safety Protocols (“Protocols”) were derived from a number of sources. The Protocols address all major areas that are needed to attempt to keep the staff and visitors safe during the pandemic. There will also be an accompanying self-checklist that Mr. Battaglia, Mr. Pick and Ms. Miller are still working to finish.

Upon motion made by Glenn Yeager and seconded by Diodato Bassano, all members of the Board present voted to approve the Workplace Safety Protocols.

c. Rent Relief Program: Mr. Pick reported that Berks County has asked the Authority to administer a new Rent Relief Program. Mr. Pick advised that the County anticipates it will receive \$1,500,000 to \$4,600,000 in funds to provide rent relief grants to tenants who incurred a 30% or greater reduction in income, or are receiving unemployment due to COVID-19. Qualifying tenants may be eligible to receive a maximum of \$750.00 of rent relief per month for six months. Mr. Pick explained that the application process for the Rent Relief Program is to start on July 6th. Mr. Pick and Ms. Miller explained that administering the Rent Relief Program will be onerous and could result in the issuance of more than 300 checks per month. Consequently, additional Board discussion may be necessary to decide if the program will be administered internally or by a third-party agency. A special meeting may be needed to discuss this program further after Mr. Pick obtains more details about the program at a webinar on June 24th. Glenn

Yeager expressed his concern that the 5% fee (\$76,500) may not be enough given what is involved to administer the program.

d. City HOME Program Resolution: Mr. Pick advised that the City requested the Berks County Nonprofit Development Corporation to apply for the \$100,000 for the rehabilitation of 544 South 6th Street rather than amending the 2020 HOME Program. Accordingly, a motion was made by Eileen Kastura and seconded by Glenn Yeager to approve Resolution 2020 - _____ authorizing the filing of the application for a \$100,000.00 grant from the City HOME program to rehabilitate the 544 South 6th Street in the City of Reading. All members of the Board present voted to approve the Resolution 2020 - _____.

8. Miscellaneous Items.

Mr. Pick advised that the building will be open on Monday, June 29.

9. Adjournment:

There being no further business of this Authority, a motion was made by Eileen Kastura to adjourn the meeting of this Authority. The motion was seconded by Glenn Yeager and all members of this Authority present voted in the affirmative. After discussion, the next meeting of the Authority will be July 28th at 3:00 p.m. This meeting was adjourned at 4:15 p.m.

Pellegrino Orlando, Secretary