

The workshop meeting of the Borough Council of the Borough of Sinking Spring was called to order on Wednesday, January 28, 2015 at 7:00 p.m. at the Sinking Spring Borough Hall by President James Pachuillo. After the Pledge to the Flag, Elizabeth White called the roll reflecting the following Council Members present:

James Pachuillo  
TJ Huckleberry  
George Butkus  
Denise Stine  
Lisa Gantner  
Tracy Peterson  
Brian Hoffa

Other officials present were: Mayor Gary Cirulli, Charles Haws, Borough Solicitor; Robert Ludgate Sr. , Ludgate Engineering; Brad Smith, ARRO Consulting; Michael Hart, Public Works Director; Police Chief Lee Schweyer, Regina Shade, Borough Manager and Elizabeth White who recorded the minutes of the proceeding.

### **BUSINESS:**

Mr. Pachuillo stated that they had an Executive Session before the meeting to discuss a personnel issue with the Part-Time Police Officers rate of pay. Mr. Butkus made a motion to continue past practice for this year in granting the Part-Time Police Officers the same matching raise of 3.5% as in the contract for full time officers retroactive to the beginning of the year; seconded by Mrs. Peterson. AYES – 7, NAYS – 0. Motion carried.

The next item was to award the contract for the Reed Bed Cleaning. Mr. Butkus made a motion to authorize executing the agreement with the low bidder Amerigreen; seconded by Mr. Hoffa. AYES – 7, NAYS – 0. Motion carried.

### **VISITORS:**

Mr. William Lampe of McCarthy Engineering addressed Council. He stated that he is here to discuss the BOSS initiative for Downtown Sinking Spring. He stated that his organization represents Mr. Patrick Sickafus who is the owner of about 53% of what exists in the Downtown District. He stated that he had a presentation to provide a concept and vision that is consistent with the objectives of the Revitalization. He mentioned that Mr. Sickafus has three (3) lots totaling 10 acres and would like to sub-divide them into seven (7) lots. He stated that their recommendation is to develop an Ordinance that supports the entire track but is relative to lot 5 to allow two five story (60 units each) age restricted apartment units to be established. He stated that his goal tonight was to let Council know where they are at and what they have been working on for the past six months. He mentioned that he is looking for feedback and thought process with the Workshop and if they are headed in the right direction. Mr. Pachuillo stated that the presentation was wonderful and that the steps they would need to take would be more towards the Planning Commission first. Mr. Hart stated that they would have to submit Land Development Plans, Sub-Division Plan, and then a

**VISITORS (Cont.):**

formal set of plans on what they are looking at doing. He mentioned that age restricted housing is limited to 45' or three stories and according to the Borough's Zoning Ordinance requires a minimum track of fifteen acres and lot 5 is only two and a half acres so that would have to be handled by a variance. He also mentioned that the Zoning Ordinance limits it to 15 units per acre so that is another item that would have to be addressed. Mr. Haws mentioned that Council has the option of amending the Ordinance. He stated that he believes the developer of the project is looking for some feedback about interest in the project. Mr. Lampe stated that the subdivision is step one. He mentioned that lots 3 and 4 only become real if the extension of Columbia Avenue works. He mentioned that lot 7 is open space around the Spring. Discussion ensued.

Mr. Sickafus introduced himself to Council and stated that he wants to do what ever Council wants but if Council doesn't want it to let him know so he doesn't waste money. Mr. Hoffa thanked Mr. Sickafus and Mr. Lampe for the presentation. He stated that he believes it is an exciting project and he would be in favor of at least starting discussions. Mr. Huckleberry stated that his question is that if the Borough does not go through with the Columbia Avenue extension to 724, how that would affect their project. Mr. Lampe stated that the subdivision would be contingent on the extension going through and then the challenge would be how to gain access to lots 5 and 6. Mr. Ludgate asked Mr. Lampe who would be developing the property, Mr. Sickafus or a developer. Mr. Lampe stated that it would be sold to a developer. Mr. Butkus stated that the initial question really is whether or not the subdivision plan would be opposed by Council. Mr. Lampe stated that is correct. Discussion ensued. There was no opposition to the subdivision.

**BUSINESS:**

Mr. Pachulo mentioned that they needed to discuss the Christmas Tree and asked Mr. Hart where we are at with that. Mr. Hart stated that the lights have been stripped off and it is still sitting down at McDonalds. Mr. Ciruilli mentioned that he spoke with Mr. Hughes today and he said that he gave the \$500.00 donation to buy the tree and he doesn't care if the tree stays on his property or not. Mr. Hoffa stated that if we plant it at Memorial Park we could put a plaque stating that it was donated by Mr. Hughes. Mr. Hart stated that unfortunately we missed the window and we can no longer get into the area where we wanted to plant it because of the snow and frozen ground. It was suggested that they let Mr. Hughes keep the tree. Motion was made by Mr. Hoffa to allow Mr. Hughes to keep the tree and plant it on his property; seconded by Mr. Butkus. AYES – 7, NAYS – 0. Motion carried.

Mr. Smith mentioned that the SCADA Project is now complete and he has two applications for payment. The first one is labeled 5A which is for the rest of the construction costs which is \$68,325.00 and the second is labeled 6A which is for the remainder of the withholding on the project which is \$11,971.00. He mentioned that Mrs. Shade has signed the Certificate of Completion so he will distribute the documents tomorrow. He mentioned that there is a twelve month warranty. Mr. Butkus made a motion to pay both applications for payment; seconded by Mrs. Stine. AYES – 7, NAYS – 0. Motion carried.

**JOINT MEETING – COUNCIL/BOSS2020:**

Mr. Pachuillo turned the meeting over to BOSS2020. Mr. Coleman, President of BOSS2020, stated that he was asked to do an introduction. He thanked Council for allowing them to do a presentation and hear what they have been up to. Mr. Campbell took over and gave a power point presentation. He stated that revitalization is really a financial strategy to drive the economy in the Borough. He mentioned that an increased tax base means more real estate taxes, more EIT, more mercantile tax and more of a lot of things that we need to take advantage of. He went over some of BOSS2020 accomplishments. He mentioned that some of the things that are happening are happening quicker than they thought they would and there are some things that we need to act upon quickly or we are going to lose some opportunities. He stated that Phase I, Spring Markets, has already been completed and as it sits now it is bringing in \$31,000.00 in tax revenue over what the old Boscov's site was.

Mr. Campbell stated that what we are really here to talk about tonight is Phase II which is fixing the intersection at Cacoosing. He mentioned that there was a vote that did not pass for something that is going to be vital to the revitalization. He stated that the County is going to participate in buying the land needed to fix the intersection with \$675,000.00 and we were awarded a \$783,000.00 grant from PennDOT that the Borough has to match one third of. He stated that the missing piece is the Borough. He mentioned that if we decline this money and we don't fix this intersection it is going to look like the Borough doesn't have any interest in fixing the problem. He mentioned that if we do fix this intersection there is already talks about PennDOT fixing the intersection at 724 and Penn Avenue.

Mr. Campbell stated that Phase III is the retail street in the back. He stated that they believe this will be done primarily with private funds.

Mr. Campbell stated that Phase IV is the big intersection at 724 and Penn that primarily needs to be done by PennDOT.

Mr. Campbell implored Council to take a look again at the vote for the matching funds. He stated that it is something that has to happen now because all that is happening with PennDOT now and they have everything planed and the money is in place. He asked Mr. Loth when we had to have an answer for PennDOT. Mr. Loth stated that what we need to do is enter into an agreement with the Redevelopment Authority so that they can proceed to acquire the properties that are needed to build the roads. He stated that if PennDOT is going to begin construction in that area where they have already agreed to build our new intersection for us along with the signal on their dime. Mr. Campbell mentioned that it is another \$700,000.00 to move the traffic signal. Mr. Loth stated that they are going to be starting their project in 2016 so we have a closing window of time to acquire these properties and clear them. Mayor Cirulli stated that he was the tie breaker in that vote and he voted no. He stated that he voted no because this is a state highway. He mentioned that in 2003 the state looked at it and stated it wasn't a priority. He doesn't believe the Borough tax payers should have to pay to fix a state highway. He also asked about the \$675,000.00 from the County and where that is and if we have anything in writing. Mrs. Hollenbach stated that it was part of the original contract we had with the Traffic Impact Study and that she has a copy of the agreement if he would like to see it. Mr. Butkus mentioned that yes it was promised and we have it in writing but the County keeps stating that they want it spent on other items.

**JOINT MEETING – COUNCIL/BOSS2020 (Cont.):**

Mr. Pacuilo stated that he wants the intersection fixed but he knows why other Council people voted the way they did and he has mixed feelings. He stated that it is going to take Borough dollars and that comes from the tax payers and in order to do that project we will have to raise taxes. He stated that it will be a hard thing to do to tell people we are going to raise taxes for an intersection that may or may not give us any new revenue or spur the next step. He stated that was at the time of the vote and other things have come to light since then like the PIB Funding. Mr. Butkus asked about the PIB Funding because he missed that meeting. Mr. Ludgate explained the PIB (Pennsylvania Infrastructure Bank) Funding and how it works and that we can allocate the Liquid fuels allocation each year (for ten years) to pay the loan back and not have to raise taxes. He stated that Council authorized an application for \$700,000.00. He mentioned that they met with Mr. Charlie Paris of PennDOT today and went over the scope of work in the application. He stated that Mr. Paris will clear it and we can expect the paperwork on that momentarily. The application then must go to Harrisburg to a PennDOT official that is charged with the duties of reviewing PIB applications, which could take six to ten months to clear the application. Discussion ensued.

Mr. Pachuiilo asked what the Borough share is for the total cost of the project. Mr. Ludgate stated that the total cost is roughly \$3.5 million and of that we have the \$783,000.00 from MTF funding and the \$675,000 remaining from the County. He also mentioned that according to the paperwork from Mr. Lampe they have offered to make a cash payment to the Borough on a per unit basis which comes to \$360,000.00 and the PIB loan proceeds would be \$700,000.00. Mr. Pachuiilo stated that he doesn't want to include the PIB money. Mrs. Gantner stated that it would be about \$2 million. Discussion ensued. Mr. Ludgate stated that we have an actual estimate from STV of the construction costs to the Borough being \$1.1 million. He also mentioned that Mr. Ken Pick estimated that the property acquisition would cost between \$1.7 million and \$2 million (which includes relocating people, closing costs and legal fees) but the appraisals came in at \$1.4 million. Mr. Pachuiilo stated that he came up with roughly \$1.7 million as the Borough share and with the \$440,000 from the PIB loan that leaves \$1.3 million that would need to come from the tax payers and that is the hard number. Mr. Hoffa mentioned that there is potential funding next year that we could possibly tap into. Mr. Butkus stated that the potential is that, once we start taking the properties and start the demo, if we don't get any additional money we are left with the tax revenue as the only means to pay it back. Mayor Cirulli stated that he is 100% for whatever Mr. Loth is trying to do for the Borough and mentioned that Mr. Campbell is doing a great job but when you are sitting on this side of the table and you have to answer to the tax payers it is a tuff decision. Mr. Campbell agreed and added that at some point there has to be an investment in the future if we want to remain a Borough.

Mr. Loth stated that there are some other presentations here that will help to understand where some of this funding may come from. He also mentioned that Mr. Fontana from the Pennsylvania Downtown Center is here. Mr. Jim Adams, Vice Chair of the Industrial Development Authority, addressed Council. He handed out paperwork showing financial gains from other projects and encouraged Council to go ahead with the project. Mr. Wesley Stefanick, Government Affairs Director for the Reading Berks Association of Realtors, addressed Council and asked that they support the BOSS2020 plan. Forrest Glass, Owner of Padget Business Services and a resident, addressed Council. He stated that he supports BOSS2020 and he hopes that Council takes the chance on the project. Mr. Loth read a letter from Mr. Liptok who owns Express Care and Lube at

**JOINT MEETING – COUNCIL/BOSS2020 (Cont.):**

the corner of Mull Avenue and Penn Avenue. He stated that Mr. Liptok was unable to make the meeting but wanted his support for BOSS2020 known.

Mr. Fontana of the Pennsylvania Downtown Center introduced himself to Council and gave a brief history. He talked about TIF's and special assessment districts. He handed out a packed for project planning. He stated that everyone has to be on the same page for this to work and that it is a very complicated project. He stated that his first recommendation is that Council sit down and figure out what they want out of this (increase tax base, new jobs for residents, and aging and place opportunities for seniors). He mentioned that in 2009 there was \$56 million available to the communities of the commonwealth for Main Street, Elm Street and Housing and Redevelopment Assistance, etc., last year there was \$6 million so when they say money isn't available they are correct. He stated that the Commonwealth has said for the last four years "why should we invest in you if you don't want to invest in yourselves". He stated that he has heard that they want to start getting some of this money back into community development programs. He stated that you do have the opportunity to get up to \$500,000.00 from the Keystone Communities Program as it is currently structured but there are no guarantees. He stated that the Pennsylvania Downtown Center is certainly willing to help and they will talk to Mr. Loth going forward about coming back and doing some additional work. He stated that there are options that are open for you but there has to be a consensus from Council that they are in this for the long haul. Mr. Loth mentioned that they could help with marketing plans but not development consulting although they do have connections for that. Mr. Fontana stated that they could come back and do some work on options that might be open and the current market.

Mr. Pachuillo mentioned that awhile back they went to Concord Financial and got a proposal that broke it down very basic and he is going to have Mrs. Shade pull that out again.

Mr. Loth handed out a booklet that he prepared for Council that included information on Bothell, Washington's Downtown transformation, Transit oriented development and financing options.

**BUSINESS:**


Mrs. Peterson mentioned that the Library would like to put Barbara Myers back on the Library Board starting in February. She made a motion to do so; seconded by Mr. Butkus. AYES – 7, NAYS – 0. Motion carried.

Mr. Butkus mentioned that the Sewer committee will meet next week.

**ADJOURNMENT:**

Mr. Butkus made a motion to adjourn the meeting at 9:28 p.m.

Respectfully submitted,

  
Elizabeth A. White  
Asst. Borough Secretary