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1	SCRANTON CITY COUNCIL MEETING	
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5	HELD:	
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7	Tuesday, October 18, 2011	
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9	LOCATION:	
10	Council Chambers	
11	Scranton City Hall	
12	340 North Washington Avenue	
13	Scranton, Pennsylvania	
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24	CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER	
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CITY OF SCRANTON COUNCIL:

JANET EVANS, PRESIDENT

PAT ROGAN, VICE-PRESIDENT

ROBERT MCGOFF

FRANK JOYCE

JOHN LOSCOMBE

NANCY KRAKE, CITY CLERK

KATHY CARRERA, ASSISTANT CITY CLERK

BOYD HUGHES, SOLICITOR

JOID HOURES, SULICITOR

1	(Pledge of Allegiance recited and
2	moment of reflection observed.)
3	MS. EVANS: Roll call, please.
4	MS. CARRERA: Mr. McGoff.
5	MR. MCGOFF: Here.
6	MS. CARRERA: Mr. Rogan.
7	MR. ROGAN: Here.
8	MS. CARRERA: Mr. Loscombe.
9	MR. LOSCOMBE: Here. Mrs. Evans.
10	MS. EVANS: Here. Dispense with the
11	reading of the minutes.
12	MS. KRAKE: 3-A. TAX ASSESSOR'S
13	REPORT, APPEAL RESULTS FROM SEPTEMBER 21,
14	2011.
15	MS. EVANS: Are there any comments?
16	If not, received and filed.
17	MS. KRAKE: 3-B. TAX ASSESSOR'S
18	REPORT, APPEAL HEARINGS FOR NOVEMBER 2,
19	2011.
20	MS. EVANS: Are there any comments?
21	If not, received and filed.
22	MS. KRAKE: 3-C. TAX ASSESSOR'S
23	REPORT, FINAL RESULTS FROM SEPTEMBER 28,
24	2011.
25	MS. EVANS: Are there any comments?

1 If not, received and filed. MS. KRAKE: 3-D. APPLICATIONS ALONG 2 WITH DECISIONS RENDERED BY THE ZONING 3 HEARING BOARD ON WEDNESDAY, OCTOBER 4 12, 2011. 5 MS. EVANS: Are there any comments? 6 If not, received and filed. 7 8 MS. KRAKE: 3-E. AGENDA OF THE CITY 9 PLANNING COMMISSION MEETING TO BE HELD OCTOBER 19, 2011. 10 11 MS. EVANS: Are there any comments? If not, received and filed. 12 MS. KRAKE: 3-F. AUDIT STATUS FROM 13 14 ROBERT ROSSI & CO AS OF OCTOBER 10, 2011. MS. EVANS: Are there any comments? 15 16 If not, received and filed. 17 MS. KRAKE: 3-G. CHECK RECEIVED FROM 18 LUTHERWOOD, IN THE AMOUNT OF \$6000.00 WHICH IS PAYMENT IN LIEU OF TAXES FOR THE CITY OF 19 SCRANTON FOR THE YEAR 2009. 20 21 MS. EVANS: Are there any comments? 22 If not, received and filed. 23 MS. KRAKE: 3-H. RESIDENTS AND 24 TAXPAYERS, RESIDING AT THE 700 BLOCK OF OLIVE STREET IN THE CITY OF SCRANTON 25

RESPECTFULLY PETITION YOUR HONORABLE BODY TO 1 DESIGNATE THE LOWER HALF OF THE 700 BLOCK OF 2 OLIVE STREET AS A "PERMIT PARKING ONLY" 3 AREA. 4 5 MS. EVANS: Mrs. Krake, will this be forwarded to the Chief of Police and the 6 police department? 7 8 MS. KRAKE: There is a process in 9 the Clerk's Office and this is just the 10 first step and then that will be one of the 11 following, it will a public hearing and so 12 for forth. 13 MS. EVANS: Thank you. Received and 14 Do we have any Clerk's notes this evening? 15 16 MS. KRAKE: No, Mrs. Evans. 17 MS. EVANS: Thank you. And do any 18 council members have announcements at this time? 19 20 MR. LOSCOMBE: I have a couple. 21 Woman's Resource Center will have a memorial 22 exhibit in Friday, October 21, from 10 a.m. 23 to 3 p.m. in the Trolley Museum. Please 24 plan to visit this exhibit. The exhibit is 25 "An Empty Place at the Table" memorial

exhibit and admission is free.

Let's see, Museum Mayhem, October 2, 2011, from 8 p.m. to midnight. Be there or be scared. Fundraising event to benefit the Everhart Museum and creative costume attire is suggested for the special event. It takes place Saturday beginning at 8 p.m. and the cost is \$50 for museum members and \$65 for nonmembers. It is limited to adults 21 and older. The admission includes all food, beverages and activities, and there are several activities that will be conducted at this.

The greater Scranton Jaycees invites you to nightmare on North Washington,
Spootakular Halloween party. Open bar, DJ,
dancing and light fare. Costumes are
encouraged and this function is Saturday,
October 22, from 7 to 10 p.m. at the
Scranton Cultural Center. Tickets are \$30
for nonmembers and \$25 for members.

The West Scranton Hyde Park

Neighborhood Watch will be conducting the

Meet the Neighbor party at Haggerty's Pub

and Eatery on Saturday, October 22, from 7

p.m. to 10 p.m. It's a busy night. Come join us and celebrate our first anniversary and meet up with old and new friends. \$10 donation and penny drafts. 50/50 raffle. Kitchen will be open and entertainment provided, and thanks to everyone who has made our first year a success.

The last one, Arts on Fire bond fire. This Celtic Artist Festival at the Scranton Iron Furnaces and that's Friday, October 21, from 8 to 11 p.m. Music by the Tom Petty appreciation band. Tickets are \$15 at the door and \$10 in advance. The event features a bond fire, mural painting and apple bobbing, food and beverages. Food, fun and spirits. And that's it. Thank you.

MS. EVANS: Thank you. A fundraiser to benefit Dennis Owens, Jr., will be held this Saturday, October 22, from 6 to 10 p.m. at the Greenwood Hose Company, 3727 Birney Avenue, Moosic, Pennsylvania. Mr. Owens, a firefighter for Taylor Fire and Rescue, is a 38-year-old father of two young children who was recently diagnosed with a very serious

medical condition. Tickets are \$15 and can be purchased at the door or by contacting the Taylor Fire and Rescue. There will be food, beverages and entertainment as well as a 50/50, wheel barrow of cheer and basket raffles. Please help Dennis Owens, Jr., and support this very worthy event.

The Boys and Girls Club of
Northeastern, Pennsylvania, will participate
in a "Lights on After School" nationwide
celebration of after school programs this
Thursday, October 20, at 5 p.m. at the Boys
and Girls Club, 609 Ash Street in Scranton.
Parents, media, employers, and neighbors,
school officials and others are invited to
rally support for safe, stimulating after
school programs, and that's it.

MS. KRAKE: FOURTH ORDER.
CITIZENS' PARTICIPATION.

MS. EVANS: Our first speaker tonight is Andy Sbaraglia.

MR. SBARAGLIA: Andy Sbaraglia, citizen of Scranton, fellow Scrantonian.

MR. LOSCOMBE: Good evening.

MR. SBARAGLIA: When one picks up

our local newspaper we have a real dire situation in Scranton, but they blame a council that's been sitting up there I think less than two years, but there was eight years of council before this council so and most of the debt was incurred during those eight years. We sold our golf course which was generating -- you are looking for generating money, that did generate money, but somebody wanted it so it was sold.

We sold the South Side Complex. Why we sold it, somebody wanted it. So if you are in the right position you get what you want, but regardless of all of that, regardless, we have almost ten years since this mayor took office. We went through a lot of different councils, but that man has been there for almost ten years. He has been at the helm of this ship. I wish he had used glasses and see which direction the city was going.

Whatever his motives were, whatever it was to generate a lot of places and a lot of people who love him and who would offer him something in his political career. I

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believe that was the motive. No one else would do what he did. It makes no sense to do it because we couldn't afford it.

Everywhere you look there is trouble from all his appointees in his different There are major problems in authorities. There is the authorities and I blame him. only one man to blame, the captain of the Don't look for anyone else to blame. He is to blame. He appointed a lot of people to the authorities especially, and if he had -- had he worked with all of the councils passing a lot of legislation that really made no sense, a lot of borrowing, letters of credit, he gave them out as if they were candy bars and now we have to pay and the citizens can't pay.

Harrisburg, as you know, tried to go bankrupt. Whether they go or not I don't know. I don't like the direction, but they explained in Harrisburg what would happen if you went bankrupt. They would come in with their appointee, this, that and whatever. I don't believe you are ever going to get out of your liability by declaring bankruptcy

because you got a lot of people that you hurt. A lot of institution holds them bonds and so forth and so forth on, so I doubt if bankruptcy is really a solution.

Oppression is not a solution either because taxes are oppressive. Somewhere you have to strike a boundary between being oppressive and being needed. All the spending in this city now should be in dire need spending. We shouldn't have any luxury items at all to even consider because really if what they are saying is true we don't have the money.

When you don't pay your bills you hurt a lot of people, not only that if you pay a provider he pays his workers, how are they going to get paid if they are not getting paid and money, as you know, generates money. Like they say in Russian a ruble must roll, and the same with Scranton. Dollars got to flow from what pocket to another pocket or the whole economy collapses.

It's just sad that we sit before you now, but we came a long time ago and warned

you. Not so much your group, because you weren't there, but the previous councils. We have been coming harping and harping and harping and now it's come to fruition. Now it's there. We got to come and bite the bullet one way or the other.

I don't believe a solution is laying off massive layoffs in city government, some people may, I don't. Some assets, like I told you, if you were looking for an asset to try to sell it would be the lights. That one you probably could sell back to the electric company, but when you start getting into these authorities, you know, you found that out with the library. You can't even dissolve one, never mind trying to sell one. It just won't happen.

So I know you are have to enhance -it's just a shame that you have to enhance
revenue because that man was so lavish and
cared nothing, little or nothing about what
he was doing. He didn't have to do what he
did and in the order he did it. No one said
we didn't need improvements, but we needed
improvements in a very controlled manner.

1 Thank you. MS. EVANS: 2 Thank you. 3 MR. JOYCE: Thank you. (Mr. Joyce took the dais and joined 4 5 the meeting during Mr. Sbaraglia speaking.) MS. EVANS: Bill Jackowitz. 6 7 MR. JACKOWITZ: Good evening, 8 Council. 9 MS. EVANS: Good evening. 10 MR. JACKOWITZ: Bill Jackowitz, South Scranton resident and member of the 11 Taxpayers' Association. Last week I learned 12 13 that the reason for the 26 percent tax 14 increase was to keep firefighters and police officers and fire stations open and to 15 16 ensure that all services that the city 17 government is required to provide the 18 citizens would not be interrupted and the 19 city employees would be paid. 20 I also learned that Mr. McGoff could 21 not vote to layoff any police officers or close fire stations until 28 December 2011. 22 23 That was Mr. McGoff's first opportunity to 24 vote for the layoffs and closures.

Also, last week I learned that

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Mr. McGoff's solutions in solving the current financial problems were to support Mr. Miller when Mr. Miller was Junior City Council president and running for a seat on Scranton City Council.

What transpired at last week's meeting was nothing more than hogwash and total nonsense with no regard for questions that were asked by citizens to an elected official. The best part was when Mr. McGoff received either a text message or a phone call after I spoke last week. I could be wrong, but the Rules state that all cell phones must be turned off during the meeting.

So again I must ask, what benefit
Scranton taxpayers received by increasing
taxes 26 percent? Furthermore, services
have been cut including closure of the
swimming pools, fewer streets being paved,
layoffs of public safety workers, bills not
being paid on time, no purchases of badly
needed fire apparatus and police vehicles,
no new hiring of neighborhood police
officers, snow plowing of city streets, and

the price increases at Nay Aug swimming complex.

Most importantly, the City of
Scranton has remained distressed and now the
Honorable Mayor Doherty wants to sell the
parking meters to the Parking Authority and
borrow more money to pay the bills. Would
the sale of the meters including the meters
that surround the Chamberlain plant? My
understanding is that those meters generate
the most revenue. So far today they have
generated \$1.

City default not on table. The
Honorable Mayor Doherty said bankruptcy
could cause potential damage to the city's
image and ability to borrow and suggest lost
control through a judge. What type of image
does a city project when it must borrow its
way out of debt, layoff public service
employees, and state the solutions is do not
pay your bills. Maybe a judge would have
more control, common sense and leadership
than our current Honorable Mayor Doherty.

The Honorable Mayor Doherty suggested why not take them to Court?

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Sounds like he like it when the judge makes the decision for the City of Scranton. How many times has the city been to Court?

I am appalled that elected officials refuse to answer the questions that are asked by the city residents, taxpayers and voters and veterans. I must remind all elected officials that you work for the citizens. You are paid with taxpayers' dollars, public money. If you are prepared to answer a question then just state that you are not prepared. Getting angry and arguing only makes the situation worse.

A good leader leads by example and sets that example for others to follow. A weak leader resorts to arguments or just evades the question totally. Those tactics have been demonstrated for four years by past and present city council members and resurfaced at last week's meeting. We live in the land of the free only because of the brave, not the excuse makers or storytellers.

We had four years of Gatelli,
Fanucci and McGoff, a city council which, by

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the way, solved nothing and created a financial mess for the taxpayers. We have heard for months about cooperation. A team player does not badmouth their teammates. A prima dona, on the other hand, would do including badmouthing colleagues.

Remember, a war fighter, police officer or firefighter would never abandon their partner. On the other hand, a councilman would.

Remember, Scranton has been distressed for 20 years with no end in site. The voters of Scranton have spoken, voted for a strong mayor form of the government, a Recovery Plan that has expired, the Honorable Mayor Doherty three times, and numerous Doherty rubber stampers. How come the city remains distressed, public safety downgraded, Scranton assets being sold, elected officials refusing to answer questions and more importantly refuse to meet with each other, badmouth each other in the newspaper, threaten to raise taxes again, and provide few answers to the residence? Not my idea of cooperation.

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Scranton elections mean nothing.

Most are won with intimidation, corruption,
most voters vote for a friend or a friend of
a friend or a relative. Very few take time
to research the background and voting
records of the incumbent. If they would, we
would have a better government.

Again, we talk about cooperation, but we don't see cooperation. We talk about solutions, but we really don't see anything happening. You know, the solutions should have been proposed ten years ago, eight years ago, seven years, six years. were proposed. They were told right here from this podium by speakers, but we are ignored by the rubber stampers, the Doherty We are laughed at, we were called Three. names, we are arrested, we were searched, we were seized, we were everything, but the most important thing is we were right on the majority of the solutions and ideas that were proposed right here to Scranton City Council and to the Honorable Mayor Doherty and look at where we are now in 2011 and 2012 will be worse.

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MS. EVANS: Thank you. Ron Ellman.

MR. ELLMAN: Hello, council.

MS. EVANS: Good evening.

MR. JOYCE: Good evening.

MR. ELLMAN: I parked downstairs before Mr. Doherty was standing in front of my car and I invited him up, but he respectfully declined. He didn't say some other time either.

Last week Jean Harris from the
University, I guess she is a spokesperson
among others things, discussed bankruptcy of
Harrisburg and how it would be a blemish to
this city if we did the same thing. What
she seems to completely avoid is that her
employer is probably the biggest sole reason
this city is in such overwhelming debt. You
see, nobody wants to acknowledge facts like
that, you know. Every one of these people
just don't seem to know that the city is
broke. I don't know.

Mr. Doherty wants to tear down a building and the school and build a park, does everybody got these hair brained ideas?

Of course, a lot of them don't live in town

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so they don't care.

Mr. Angeli from the Lackawanna College he wrote a very nice letter, thank you letter to Keystone College, but he shows his outright disdain for the taxpayers of this city when you went last year and asked for some kind of contribution. You know, he was quick to grab that \$10,000 a year taxpayer building on Wyoming though, you I just don't understand anybody's attitude about no one wants to help this city. They're businesses. The University of Scranton is probably one of the biggest businesses in town, you know, you'll never get any money from 'em.

Last week. I think it was the week before in the paper, I was reading the Wilkes-Barre paper, I try to buy it when I see it downtown instead of reading ours, Wilkes College is having River Street closed from four lanes to two lanes because the dimwits at the school don't have enough sense to cross streets safely. That's what I have been harping about is going to happen right here on this street. I don't know,

last week the article in the paper said that the wide sidewalks are beneficial to us.

People only go -- most people go down there in a car or an ambulance. There is nobody, you know, the people, the taxpayers, don't walk down that sidewalk. Yo.

U know who is paying for all of the work in Wilkes-Barre, over \$2 million? It's not the college, the taxpayers are going to pay for the college to have wider sidewalks. It just doesn't make sense that these schools have so much power and are contributing nothing to the city. Of course, Wilkes-Barre, from what I gather reading in the paper, got about as poor a mayor as ours. Both of them ought to be arrested for impersonating mayors.

When I talk to somebody now and then, I get up in the morning at 5, 5:30 and go have coffee sometimes, one of my friends said that if the council could just talk to business people in town, like, let's just say Mr. DeNaples and Mr. Bolus, even Al Boscov, Mr. Jefferson, talk to some of these successful businessmen and see if they have

problems this city has.

any idea how to resolve some of these

One thing I heard, a famous Yankee said, "Neither a lender or a borrower be."

And another thing I have been hearing all week is don't sell the parking meters.

That's just a hair brained idea to start the year \$2 million in debt. You know, when I get up here I'm just relating things that people tell me during the week. I talk to eight, ten, 12 people, and it just seems to go in one ear and out the other. I don't know how many people phone you guys and say things to you, probably a good number.

MS. EVANS: Yes. Thank you, Mr. Ellman.

MR. ELLMAN: I got one thing to say. I was getting ready to go. Sunday I ran up to get some strawberry milk at the Giant and there's a lady waiting outside for, I guess, her husband or somebody to come in the car with her groceries, she said, "You are the one that goes into city council, aren't you?"

And I said, "One of them."

And she said, "I really didn't appreciate you bad mouthing the Scranton Counseling last month," because, you know, she went on how much they helped here and everything. She said -- I had my hat on. She said, "You get a haircut?"

I said, "Oh, you are talking about the boy with the long hair," I said, "That's Dave." I said, "That wasn't me." I said, "And he shops here often. You are bound to run into him some day, so if get an earful one of these days you know why."

Thank you.

MS. EVANS: And our next speaker is Doug Miller. And I think, Mr. Ellman, I can trace back farther than the Yankees the quote "Neither a lender nor or a borrower be," it goes all the way back to William Shakespeare Hamlet and Polonius gives that advice to his son Laertes who is returning to college. Go ahead.

MR. MILLER: Good evening, Council.

Doug Miller, Scranton.

MR. JOYCE: Good evening.

MR. MILLER: I'd like to once again

continue of the ongoing discussion we have been having her on the 2011 financial issues. As you know, last week I did take issue with the mayor and the business administrator traveling to Wilkes-Barre to a donut shop to meet with Mr. Rogan to discuss our finances. And, you know, I'm going to again reiterate my feelings that, you know, the days of closed door meetings and smoke and mirrors is behind us and that we put an end to that when we elected the majority of the council here.

Our council majority extended an invitation to the mayor to come forward and to layout his proposal publically and, unfortunately, to this day he has continued to refuse to come forward and he needs to realize that we conduct business here in this room, as I stated, and not in donut shops. You know, unfortunately, as I said, he has continued to fail to live up to his word and be the sixth councilman and extend his hand out to you as you have done so to him on several different occasions now, just not with this one.

But I think what I really found appalling tonight is when I found out the mayor was downstairs just a moment ago wrapping up an interview with Channel 16 and yet he couldn't walk up a flight of stairs or take an elevator to come to the meeting tonight. You know, I guess, you know, he didn't smell the coffee or donuts and that chased him away.

But his consistent lack of cooperation and his refusal to come forward only prolongs his financial nightmare and it continues to put you in a tough spot because now what it does is it throws it in your lap and now you are responsible for cleaning up this man's mess that he is ultimately responsible for because of the ten year's worth of his fiscal mismanagement. Not you, him.

And you know, last week we found out that now one of his brilliant ideas is we are going to stop paying bills, \$7 million worth of bills. Well, I'd like to ask the mayor how long would that last in the big boy world? Not very long.

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And now it's my understanding here that Mr. McGoff and Mr. Rogan would like Mrs. Evans to place the mayor's proposal on the agenda, a proposal that calls for more borrowing and more selling of city assets. And, again, I would ask you to stay the course in your refusal to place that on the agenda. The issue with this is quite simple, that this mayor has had a reputation of altering any legal and lawfully adopted legislation voted in by council. He has shown whether it was the towing ordinance or just more recently with the CDBG legislation. This is a man who tears out pages, crosses out his signature after he already signed it. So why should we entertain legislation when, number one, he has yet to come forward in a public setting and layout his proposal like a big boy; and number two, this man does what he wants anyway.

So no matter what this council tries to do, any amendments you make to try to better the plan and try to solve the problem he is going to go ahead and ignore it as he

always does and go and do what he wants to because that's what he does. And I would urge council to continue to hold the mayor accountable as you have, continue to not place this on the agenda until he comes forward, and I know that you are not going to rubber stamp this through because, as I said, those days are over. Past councils would who had and the agenda weeks ago and it would have been voted through. We would have this additional borrowing and would have went and sold off more assets.

We are over \$313 million in debt and you are going to tell me that we are going to go on and take on more borrowing, we are going to go and sell city parking meters that generate \$2 million in revenue? We would have generated a heck of a lot more if he had implemented that StreetSmart program, but unfortunately that was sabotaged along with your budget and now we are in the predicament that we are in here.

But tonight I would like to make a respectful request of Mr. McGoff, since you do have a close relationship with the mayor,

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I would just tonight respectfully ask that you invite the mayor to come forward to propose his plan here in a public setting so that we can begin the working relationship that we have all been talking about here and move towards solving our financial problems.

But I'd like to quickly go back to last week, not to bring up sour subjects here, but last week I did respectfully ask Mr. McGoff a question regarding his solutions to solving the city's financial problems and I asked this question quite simply because in recent weeks Mr. McGoff has taken it upon himself to criticize the council majority through the newspaper citing vague solutions, lack of transparency a wide range of other statements, and I felt that if you were going to continue to do this and hide behind the newspaper rather than coming forward I felt that it was time, Mr. McGoff, that you publically, since you want to criticize everyone else layout your proposal. And, unfortunately, your refusal to answer the questions spoke for itself.

But your consistent criticism of the

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council through the newspaper is, quite frankly, a cowardly move and the only thing we got out of it last week was your infamous, "We need to work with the mayor," or "I'm open to anything."

But, unfortunately, that still doesn't answer the question, but I'll learn to live with that we are never going to get a real answer out of you because that's what we've gotten for five years. So, you know, when you want to talk about criticizing council through the newspaper, I'd ask you in the future if you have anything to say about your colleagues do it here publically. That's what this room is. It's open for debate and if you want to criticize the news paper you are going to do what you have to do, but I feel that shows a lack of professionalism and if you having something to say, say it to their face here. using the newspaper to get your message through and, as I said, ultimately it's a lack of professionalism.

And one last thought, you know, you talked about ultimately council has the last

word, and you were quite correct on that,

Mr. McGoff, but I think what you forget is

we, the voters, ultimately have the last

word and in determining whether or not you

will even sit in this seat and just like to

ask you to remember that, and that's all for

tonight. Thank you.

MS. EVANS: Sherry Honan.

MR. ROGAN: Mr. Miller, I would like to clarify my position on putting the mayor's plan on the agenda, I did say that I wanted to put it on the agenda so we could vote it down.

MS. HONAN: Good evening.

MS. EVANS: Good evening.

MS. HONAN: I'm here, this is my first time being here. I'm here because I have been hearing all about this and we all hear about this. About the fire department stuff, I used to be in the fire department a long time ago, and I know that it's just -- you don't lay off a lot of firefighters because of it, because that's a job. The first thing I saw today was the newspaper and it was in the front page and there was

another one in the second page and it's, like, you shouldn't lay off firefighters or officers or anything like that.

And the other thing is I have with -- it's my neighbors where I live, and she has been causing problems and she has a camera on her porch and she likes to yell and scream every single day. Her name is Melissa Weinberg.

MS. EVANS: Well, let's keep the names out this discussion, please.

MS. HONAN: Well, anyway, she has been causing problems in our neighborhood every single day, and I would like, you know, to see if you guys would, you know, do something about that with her because.

MR. LOSCOMBE: Give Ms. Carrera that information.

MR. JOYCE: Yes, and actually provide her the information and just a short description of what exactly the problems are that your neighbor may be causing and we could forward that to the appropriate officials.

MS. HONAN: Well, she is yelling and

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screaming and hollering in the neighborhood.

Well, if we can just, MS. EVANS: you know, you would be able to speak to Ms. Carrera and put will of this in writing and then if council is able to do anything, but I think in the meantime the best suggestion we could probably provide to you would be to call the police department and if there are any issues involving the property itself, meaning, you know, if there were tremendous amounts of garbage or living room furniture is placed on the front porch, those types of issues are handled by the Licensing, Inspections and Permits Department of the city and in those events inspectors can go out to the home and actually review the situation and discuss, you know, making immediate improvements with the property owners.

MR. JOYCE: So if you could like to leave your phone number and e-mail address.

MS. HONAN: I don't have a computer, so I can just give you the phone number.

MR. JOYCE: Okay.

MS. HONAN: But, you know, like I

said about the fire department, they shouldn't lay off the firefighters or the officers, you know, because when I lived in Corey, Pennsylvania, because I was a volunteer in Columbus and they were on it every single day and they didn't have no layoffs when they were in the fire department and going to calls every single day. So that's all I have to say. Thank you.

MS. EVANS: Thank you. Is there anyone else who could like to address council?

MR. DOBRZYN: Good evening, Council.

Dave Dobrzyn, resident of Scranton,

taxpayer.

MR. JOYCE: Good evening.

MR. DOBRZYN: And general pain in the neck. Once again, I seen a few editorials that I found objectionable now. I'm sure that a reporter's job is to just write down what he thinks or what he hears and hand it over to the editor, so and then the editor makes up the story, so I would appeal to the Scranton Times, please, let's

see a couple of cartoons about the deficit in the audit that still isn't here how many months late, four or five months late already?

MR. JOYCE: Approximately four and a half right now.

MR. DOBRZYN: Yeah, so how can you people do anything without facts? It's a plain and simple equation. And one food for thought with any type of change in the Home Rule Charter, two terms for executives. Two terms. In America in most of our executive and governships it's two terms and that's it. We have one guy from Texas is on his third term, but why I don't know, he can't even put a sentence together now.

Now, in Russia I just read an article on Russian politics and a prior president is running again at the end of this term, he already served two terms and how did he get in? (Unintelligible.)

So that's all I really have to say except I'd like to bring up a subject of Steamtown, and it could be a couple of weeks from now, but if you people could come up

with an endorsement letter and possibly a request that somebody from the area could produce a photo ID and visit the museum once a year or something like that in return, but we need to get to senators and Congressmen, the place is left languishing, it's got the same appropriations since 1992, and it's just not working anymore. There is going to be problems down there and, you know, instead of a nice museum we are going to have what looks like a junk yard.

And then finally the golden parrot goes to the senate and congress for -- and Barack Obama for signing the Korean trade agreement. They plan to use \$400,000 laborers from North Korea and they pay the government the wages. Now, if they need laborers from North Korea, they must have a zero unemployment situation, so for that the whole pack of them gets a bawk, bawk,

1 And I'm going to recite something in 2 German for our President Cane -- or 3 presidential candidate Cane on his 999 plan, 4 it's in German though. Nine. Nine. Nine. 5 Have a good night. MS. EVANS: 6 Thank you. Is there 7 anyone else? MS. FRANUS: Fay Franus, Scranton. 8 9 MS. EVANS: Good evening. 10 MS. FRANUS: Mr. Rogan, do you know 11 when the final vote is going to be on the 12 CDBG program for 2012? The final vote or the 13 MR. ROGAN: 14 amendments? MS. FRANUS: Pardon me? 15 16 MR. ROGAN: When the final vote will 17 be or the amendments? 18 MS. FRANUS: No, when will the final vote be for the CDBG 2012. 19 20 MR. ROGAN: Well, tonight I am going 21 to present the amendments that everybody 22 gave to me and I put them together, and 23 whenever council president would like to put 24 it on the agenda. It had to be 30 days from 25 the public hearing, so any time after that.

MS. EVANS: I think according to the 1 2 timeline Ms. Aebli gave us, we are due to 3 take a final vote next week. MR. ROGAN: I think so. 4 5 MR. JOYCE: It is because I was looking at it earlier today. 6 MS. FRANUS: I didn't -- did you say 7 8 next week the final vote would be? 9 MS. EVANS: Yes. MR. JOYCE: Yes. 10 11 MS. FRANUS: What would happen, 12 Mr. Rogan, if there is any -- you are going 13 to make recommendations tonight you said? 14 MR. ROGAN: Yes. MS. FRANUS: What happens if you 15 16 have any last minute changes, how would the 17 people know? 18 MR. ROGAN: The people would still 19 contact us, they could contact any one of 20 What I will present tonight isn't 21 anything firm. 22 MS. FRANUS: So, in other words, 23 people have to call you to ask you if there 24 is any last minute changes, there is no way 25 you are going to make any way for the people

1 to know other than for them to call you? 2 MR. ROGAN: Well, I am going to 3 present tonight what we put together. MS. FRANUS: But I'm talking about 4 5 the last minute -- if there is any last 6 minute changes because the people won't know 7 before the final vote. MR. ROGAN: Well, I'm hoping there 8 9 won't be any last minute changes. 10 take suggestions from all of my colleagues 11 and I put them together the best I could, so 12 there were a lot of things that we all 13 agreed on and there were some things of 14 didn't, so I tried do my best. And, as Mrs. Evans just said, anything else I will 15 16 announce next week before the vote. 17 MS. FRANUS: So would anybody have a 18 chance -- if there is any last minute 19 changes could you possibly mention them 20 before the vote --21 MR. ROGAN: Absolutely. 22 MS. FRANUS: -- so people can --23 like, before the people get a chance it 24 speak. 25 MR. ROGAN: Absolutely.

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MS. FRANUS: So they will have a chance to speak on the last minute changes.

MR. ROGAN: Um-hum.

MS. FRANUS: Last week I had an opportunity to speak with Dr. Ramsey, he is a veterinarian. He is not my vet, but he is one heck of a guy. I have a lot of respect for him and I mentioned to him about the giving his time for free neutering for the people with pets, and he mentioned to me that two years ago when he had his own practice he offered the Griffen Pond Animal Shelter one month of free neutering. called him and told him they were too busy to bring their dogs there. I'm just rather shocked at that and I'm thinking here's a man, here's a veterinarian that loves animals and offered and month of free time if they would just bring the animals in and they told him they were too busy, and right now he can't offer that because he is not in his own practice as he was back then.

He also stated to me that anyone that gets a pet from the SPCA, their first visit would be free, and if they have any

problems with their animal their first visit 1 2 he would give them 20 percent discount, 3 which I think is quite admirable, and I think people should serious take him up on 4 5 this, because it's quite an expense and I 6 think he is being very generous here, and 7 that's all. Thank you very much. 8 MS. EVANS: Thank you. Is there 9 anyone else who would like to address 10 council? MR. SLEDENZSKI: 11 Jackie. 12 MR. LOSCOMBE: Hey, Chrissy. 13 MR. SLEDENZSKI: Hi, Frankie. 14 MR. JOYCE: Hey, Chrissy. MR. LOSCOMBE: You are working for 15 16 Colts now, huh? 17 MR. SLEDENZSKI; yeah. That's right. 18 All right, Jack, I got a problem, Jack, I 19 got a problem with you tonight, Buddy. 20 by where I live, Jack, where I live, they 21 would not leave down there. Those people 22 you know of, we'll just check it out for me 23 tomorrow morning? 24 MR. LOSCOMBE: I'll check it out. 25 MR. SLEDENZSKI: Thanks, Jack.

MR. LOSCOMBE: Thanks, Chrissy.

MS. EVANS: Is there anyone else who cares to address council? Mrs. Krake.

MS. KRAKE: 5-A. MOTIONS.

MS. EVANS: Councilman McGoff, do you have comments or motions this evening?

MR. MCGOFF: Yes, please. What I would like to do is make some comments or at least present some information dealing with the rental registration program. In your -- you should have received in the mail boxes --

MS. EVANS: I did.

MR. MCGOFF: -- copies of an amended the ordinance for rental registration.

Basically what is contained in that program, the changes that are contained, I'd just to briefly outline, in terms of revenue what is suggested is that the basic cost for certificates -- that the basic cost for the rental registration would be changed. There would be, number one, a site cost of \$50 per site. That would be for every rental site throughout the city. There would a flat fee of \$50 per site and then an additional unit,

\$15 pere unit cost, so that a person, you know, that owned let's say five properties would be paying \$50 for each of those properties, which would \$250, and then say there were four units in each property then there would be an additional \$60. It used to be a flat unit cost and not on per site. We thought this was a reasonable thing to do and it would help increase, you know, revenue through the program.

Also, and I asked Mr. Seitzinger for an estimate on what you thought the number of rental properties were in the city, and I think, Mr. Loscombe, I think he said there was something like 2,800 they estimated.

MR. LOSCOMBE: Yes.

MR. MCGOFF: Conservatively I went with 2,500 rental properties and with, let's say, four units per rental property and so we are looking at perhaps something like close to \$300,000 just from the site costs and the unit costs potential if we were to implement this.

Also, included in this is the stipulation that no rental unit or no rental

property would be given the certificate unless there was proof of payment of all delinquent taxes, that's property, garbage and sewer taxes, so that also would be a way to encourage the payment of those as well which may result in, you know, an increase in revenue in those areas.

And again, I think Mr. Loscombe may have brought was a coordination with the Single Tax Office as well for the payment of mercantile tax by each landlord, which I believe is negligent on the part of many of the landlords throughout the city. So again, you know, some of the ancillary items may be increased in that as well.

Also, the secondary part of this was to exercise some control over rental properties and landlords in the city and one of the things that was suggested was an inspection fee for all new registrants, so anybody who has not been registered through the rental registration program would have to be pay a \$150 new -- was it a general inspection fee? I believe there again Mr. Loscombe suggested this as we were --

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when we met which I think, again, would be not only an increase in revenue, but also allow for city inspectors to make sure that each of these rental properties is, in fact, up to code and habitable and safe.

Also, the violations increased, penalties for violations of the ordinance. We suggested and put a little bit more teeth into some of the wording where in many cases it used to say the city may or the inspectors may, it was changed to say "shall" so that closure of properties that don't meet the standards would be more -that we would be able to do more easily, not that we want to close down places, but those places that are not meeting the standards would be subject to those restrictions, and also it includes insurance requirements to receive a certificate, that all insurances-there is a clause in this for adequate insurance for the properties.

So the changes, I think, are substantial enough that if this were to be implemented and implemented properly it would accomplish the two goals that we had

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set out, set for this, and that is to increase revenue from the rental registration, and also to do something to exercise some control over the rental properties throughout the city.

The other things that we discussed were the implementation of the program, which I know we are not happy with, over the past year. It is still my belief that if we wished to do this or we wished to see this implemented properly we need to have some incentive for the person running the program and originally my idea was, and we did change it, but my idea was for a coordinator to be hired on a commission basis, and I think through that it would -- it would encourage someone to run the program and to go out and to make sure that this program was run properly and that it did increase the revenues because in that way if the person running -- the coordinator of the program would benefit from the hard work that they put in and so as we go through this my suggestion would be that we revisit the rental registration coordinator part of

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this as well to see what we can do to make it a more workable program, which I think we all want.

And then I guess the last thing that we talked about was whether, and I think I mentioned it last week, was whether we wanted to do this as an entirely new piece of legislation, a new ordinance, or as an amended ordinance. It was the feeling of Attorney Kelly I know and myself, that perhaps the best avenue would be to rescind -- I have the -- repeal 105 of 2007, Ordinance 105 of 2007, and to do this as an entirely new ordinance. That way there would be no conflict between what, you know, somebody would say, "Well, the old ordinance said this, and you know, the new one says this, which one are we following?"

This would be -- there would be no controversy, no conflict, it would be an entirely a new ordinance and hopefully would, you know, work better in terms of getting rid of some conflict.

The realization is that this would probably be taking a great deal of time to

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organize and to -- the first six months of putting this together would probably require a great deal of work on the part of, you know, who is ever running this program, but I think the benefits from it would be tremendous and hopefully we can take a look at this and other members of the council can take a look at what was done and if there are any changes that we would like Attorney Kelly is waiting for us to kind of go over it so that any changes we would have he would put into it so that when it came to council it would be with the agreement of everyone so that there would be no need to change or amend or whatever and that we could, you know, get this implemented. think it's it needs to be done as son as possible so, that one January of 2012 is upon us, then we are ready to move forward with this program and fully implement it.

And, Mr. Loscombe, was there anything that you would wish to add to that?

MR. LOSCOMBE: If it's okay I'll just wait until it's my turn so I don't goof you up.

MR. MCGOFF: No, I was finished.

MR. LOSCOMBE: Because I was going to add a few -- I was going to just cover exactly what you said and thank you for inviting me and just give a little bit of a description what we are doing there.

 $\label{eq:MR.JOYCE: If I could just chime in for a second.}$ 

MR. MCGOFF: Sure.

MR. JOYCE: I couldn't attend the meeting, but there were two council members there anyhow, so if I were to attend the meeting would be considered a public meeting, but a few questions I had and, Mr. McGoff, perhaps you might know these off the top of your head. When you said that there is a slight cost of \$50 per site and cost per unit cost, so that would mean that say if someone owns a duplex they would be charged \$50 plus 15 for the two units?

MR. LOSCOMBE: 50 bucks to start --

MR. MCGOFF: Right. It is a defined in here what would be -- who would come under this program. There are some exemptions, if I could find them.

1 MR. JOYCE: And that's the second 2 thing --3 MR. MCGOFF: One of them is rental 4 units in a premises in which the owner maintains a bona fide domicile and in which 5 there are no more than four rental units not 6 7 subject to registration. That was been in 8 the ordinance and, you know, has been what 9 is the general practice. 10 There are also exemptions to the 11 ordinance that are in here, rental units 12 defined under the public authorities under 13 the Municipal Authorities Act, elderly 14 multi-dwelling units, but it goes through 15 some --16 MR. JOYCE: I was assume because I 17 was going to bring up the issues with 18 Scranton Housing Authority and I'm assuming 19 that they are not going to be subject a \$15 20 fee per rental unit. 21 MR. MCGOFF: Right. 22 MR. JOYCE: That's all I have. 23 MR. MCGOFF: Okay. 24 MR. EVANS: I think that, you know, 25 this issue is most beneficial as you

delineated earlier in terms of addressing blight aggressively in the city and generating increased revenue for a city at a time when it's much needed, but my concern is this, and I am very hopeful about it, will the mayor include this program as council revises it his proposed budget?

MR. MCGOFF: It was stated by
Attorney Kelly that the mayor is onboard
with this, that he would, you know -- that
it's acceptable and my assumption is that,
yes, that they would be included and
implemented as it would be passed by
council.

MS. EVANS: Thank you.

MR. MCGOFF: Could I add one -- I guess I'm skipping over one other thing that we had talked about yesterday, that the idea for this program was that it be become a self-sustaining program, that set up a separate account for rental registration, that can be monitored through LIPS, through council, you know, through whatever and that all expenses from -- incurred by the program be paid from the proceeds of the program so

that, you know, we are not kind of adding to the financial burden of the city, what we are really to doing is creating the program that will sustain itself and create income that would be beneficial.

Also, we talked about the idea that if, in fact, we did put in a rental coordinator or some type of, you know, whether it be salaried or a commission that that, too, be taken from the proceeds of the program. So again, we are not necessarily adding a position to the budget, to the city budget, but, you know, that it would be paid out of the rental registration program. And hopefully that it would become, you know, through the course of time that after the first year that it would become an easier program to maintain and sustain and continue to produce, you know, income for the city.

MS. EVANS: But it would still require inclusion in the operating budget in that hopefully it will generate revenue.

MR. MCGOFF: Right. Yes.

MR. JOYCE: I think the main issue at this point is getting the program started

not the idea of the program itself. I think the idea of the program is a good idea.

MS. EVANS: A longstanding one.

MR. JOYCE: And a longstanding idea.

I think it's the implementation phase that proposes the most challenge at this point.

MR. MCGOFF: And that is all I have.

MR. JOYCE: But it sounds like we are on the right track.

MS. EVANS: Councilman Rogan, do you have any comments or motions this evening?

MR. ROGAN: Yes, I guess I'll start with a few comments on the idea of the rental registration as well. I would say I definitely agree with the idea of having rental registration in the city, mainly to combat blight. You know, Mr. McGoff mentioned how it will become a self-sustaining program, which I think would be great. If you are bringing in "X" amount of dollars using that to pay for housing inspectors that were going out and inspecting the rental units and making our neighborhoods a little bit nicer.

I also agree with Mr. McGoff that it

should be -- the old version should be repealed and it should be replaced with the new ordinance.

The only place where I am little concerned is if we are going to do it on a commission basis there has to be a cap. You know, I don't want to see somebody making a quarter of a million dollars a year on the backs of the taxpayer.

MR. LOSCOMBE: I was going to put my application in.

MR. ROGAN: I think we need to either have a reasonable cap on the commission or have a hybrid salary plus commission.

MR. MCGOFF: And we talked and that was one of the things that we said that was not -- that's why I didn't say it, maybe this is a proposal as such, that was certainly something that we talked about and considered how it could be implemented, you know, would it be a salary, would it be a commission, would it be something that is, like you said, a hybrid.

MR. ROGAN: I mean, I have no

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problem with somebody getting paid more for bringing in more, which is what we want, but there comes a point where, you know, you can't have somebody making --

MR. MCGOFF: The highest paid employee in the city.

MR. ROGAN: The highest paid employee should be the mayor.

Next, as I mentioned earlier, I do have the proposed amendments that I put together from everyone's ideas regarding the CDBG funding, and I also if anyone afterwards would like a copy I can provide them with a copy. When I put these together I took everyone's ideas, and there were some members that disagreed on some, some that all five just agreed on, they were the easy ones, but the one thing that was important to me while making these decisions is that it's not free money from the federal government, it's your taxpayer dollars that you paid to the federal government given back to the city for us to appropriate, so here are my changes as follows:

The Deutsch -- and actually, I'll

give you the first numbers to begin with.

The total is \$3.2 million projected funding for the city. The deduction of public service was 66,000, the additions were 66,000. The nonpublic service deductions were 608,000. The additions were also 608,000, for a total of 674,000 and change on both ends.

The first applicant, the Deutsch Institute, OECD had them funded for \$15,000, the proposed amendment would be \$20,000 for a change of \$5,000.

Cathleen McCawley Center. OECD funding was \$5,000. Council funding bumped it up to \$10,000.

LIPS. Demolition of hazardous structures, removing blight in the neighborhoods. OECD had it penned for \$210,000, the proposed amendment would bump that up to \$300,000.

The three Section 108 loans would remain unchanged.

The 88 Bellevue Youth Program.

Initially, OECD did proposed \$7,500, council amendment bumps it up to \$10,000.

The United Neighborhood SCOLA

Program. OECD had it funded for \$5,000, the amended budget is at zero.

United Neighborhood Centers

Permanent Supportive Housing, OECD had it funded at zero, it would remain at zero.

United Neighborhood Centers

Condemnation Assistance. OECD Office had it budgeted at \$96,500, council will keep it at \$96,500.

United Neighborhood Project HOPE, \$40,000 and it will remain \$40,000.

The Downtown Senior Center, parking lot paving, OECD funded it for zero, and it was kept at zero.

The Boys and Girls Club Park It Program, it was budgeted for \$30,000, it will remain at \$30,000.

The OECD Adult Literacy Program, budgeted at \$15,000, it will remain at \$15,000.

Scranton Police Department

Neighborhood Police, budgeted at \$200,000,

will remain at \$200,000.

Scranton Police Department, police

vehicles, was budgeted at zero, it was increased to \$26,500.

Dress for Success. Originally budgeted at zero, increased to \$20,000.

OECD Administration. Originally budgeted at \$650,000, which was 20 percent, and it was reduced to \$592,000, which was 18.5 percent. And there were some members of the council that wanted that lower, some that wanted it higher, and two that were in the middle so we split the difference on that one.

The Irish Cultural Society building rehab. Originally budgeted at zero, that was unchanged.

The Friends of the Poor Summer
Historical Program, originally budgeted at
\$10,000, now budgeted for zero.

Lackawanna Neighbors Home Rehab.

Originally budgeted for \$115,000, increased for a total of \$200,000.

St. Joseph's Center, mother/infant program, budgeted through OECD at \$5,000, it will continue to be \$5,000.

The Healthy NEPA Senior Suicide

Prevention Initiative was budgeted at zero dollars, it was increased to \$7,000.

Community Intervention, homeless housing, was budgeted at zero and will continue to be zero.

North Scranton Little League, playground project. OECD had this budgeted at \$5,000, it was increased to \$25,000.

Vacant Property Review Committee, blight removal, originally budgeted at \$25,000 and it's increased for a total of \$50,000.

Neighborhood Housing, foreclosure assistance. Originally budgeted at zero, continues to be zero.

First Friday, was budgeted at \$2,000, was reduced to zero.

Scranton Parks and Recreation proposed Lincoln Jackson Park. It was budgeted at \$350,000, it will now be budgeted at zero.

Weston Field, roof repairs. Was budgeted at \$25,000, is now budgeted at zero.

Scranton Forestry, tree removal.

Originally it was budgeted at \$25,000, it was increased by \$50,000 for a total of \$75,000.

Broadway Theatre, theatre tickets.

Somehow it was originally budgeted for \$10,000, it was cut to zero.

Scranton DPW, pool and bathhouse rehab, was budgeted at \$175,000, that was reduced to zero.

First Night Scranton, tickets and transportation, was budgeted at \$20,000, was reduced to zero.

Scranton Public Theatre, Jazzfest. Was budgeted at \$10,000, was reduced to zero.

Scranton Public Theatre, cultural program, was budgeted at \$9,000, was reduced to zero.

Scranton DPW, paving program, was originally budgeted at \$500,000 and was increased to \$838,000.

Arc of NEPA, fire alarm replacement, originally budgeted at zero, continues to be zero.

And that is everything for a total

of deductions in \$674,000 and a total of additions of \$674,000.

And that is all I have for tonight.

MS. EVANS: Thank you, Councilman

Rogan. Councilman Loscombe, do you have any
comments or motions?

MR. LOSCOMBE: Yes, I have a few comments. Thank you. First of all, I would like to thank Mr. McGoff for inviting me yesterday to the meeting with Solicitor Kelly and Mark Seitzinger was also present at the meeting, and I don't want to repeat everything that Mr. McGoff had stated, I just wanted to add a few things.

First of all, you did a heck of a job putting the ordinance together. I think all of us at one point in time over the last two years have added some things to it and got it to a point that Mr. McGoff had it brought to yesterday, it was a good meeting. We were able to put our heads together and go over some different items and I think it's going to be the best benefit for everyone in this city.

As I have gone around door to door

or, you know, citizens complaints and that, the majority of problems that have been brought to my attention have been blight in the neighborhoods, neighbor complaints, stuff like that, which kills the neighborhoods, and a lot of it is due to rental properties that are left either unkempt or, you know, they have unruly

We haven't had very many tools to fight this and, like I said, it works hand in hand with blight. The neighborhoods go downhill because of tenants and uncaring landlords and blight infuses the neighborhoods.

tenants or whatever.

We are not here in here -- this

legislation isn't there to be like a gestapo

to go and close paces at a whim. It has to

be done reasonably and whoever the

coordinator is I believe will be a

professional that does go and do their due

diligence and it's for the protection of

everyone. It's for the protection of the

neighbors, the residents, the tenants, the

landlords and public safety, police and fire

who have to respond to these properties.

Sometimes they will get into a property and it will be chopped up into a rooming house, but I believe there is a heck of a lot of tools in this ordinance to benefit us all and to start this city back on track to straighten some of these situations out.

Like I said, if anyone listens to the police scanners there is lot of problems that are brought on by this, so it may alleviate some of the police and fire problems in the long run, too.

Again, we discussed different issues as far as people who have -- are existing and have registered to this point on a regular basis are basically the good landlords. They care about their properties, they maintain them, and they make sure that they are licensed every year. Quite a few of them have gotten through the cracks, so what this is going do is give us an opportunity, as Mr. McGoff said, we can't go back and inspect properties that have been registered, but anyone that's purchasing a new rental property they are

going to be subject to the full inspection and that inspection fee and we are going to make sure that all of the codes are enforced and everything is up-to-date in those properties.

There is things in our proposal that we are looking at for -- to give ammunition to -- in other words, if someone has a five or six family home and they register as a four, we are looking at a sticker on that property that's going to designate it as four, and if a neighbor happens to know that it is a five or six, it will give them the incentive because they are having problems to call the inspection department and say, listen, they only have four properties listed and they have five or six in there.

It will give us an opportunity because some of these apartments are overfilled. There are regulations in our ordinance that are regarding how many unrelated individuals can be in a property at a time. I don't -- I mean, as much as I'm looking at and we are looking at generating revenue, I think the biggest, the

biggest benefit to this whole ordinance is going to be the tools and the ability to clean up our neighborhoods and take them back. As we know, a majority of the landlords are from out of town and they are unresponsive. They have to register, they have to register with someone locally that can be served, can be questioned. If there is a police or fire response they are going to have to be there, and answer to the reports.

But there is a numerous amount of blight that's in this legislation and again, Mr. McGoff, I commend you, I thought it was a great meeting, I thought we accomplished a lot, and I'll tell you, the ordinance, you know, with very few exceptions, and again, you are always thinking like we did at the meeting about different ideas, I had run it by after the meeting yesterday a couple of my colleagues here and I just have a couple of things that we may be looking at to add to this, just give it some more bite, but one of them is monthly reports containing the new registration and inspections for new

registrations and inspections for possible code violation. The code coordinator would be able to update us monthly just like we do now with our animals and that as far as where we stand.

Monthly public caucus attended by either the director or one of his representatives, Mark Seitzinger or one of his representatives and the rental registration coordinator. It would us an opportunity to update us on how the program is working in the city, how it's going, if there is any problems, if we have any issues with it or anything.

Let's see, another idea we had was an outreach program to educate the public because this is new to a lot of people and we have to educate, you know, through neighborhood meetings, crime watch meetings and any venue that would like to receive information concerning this ordinance, even maybe an initial caucus from here with an explanation of the program because everybody is going to be a watchdog in their neighborhood and it's going to entail

everybody, but we have to be able to get this information out to everyone so that no one could be ignorant of what's in this ordinance.

Let's see, another idea was application -- to put the application for the rental property right on our website, along with a copy of the ordinance that can be read there, too. Just like you can do with the building permits now, there is building permit applications right on the website.

One thing, you know, I thought about and we had discussed, and we still have to s have a discussion on how this coordinator is going to work whether -- you know, that's probably the final hurdle we have to do on this is determine how this coordinator is going to be employed, commission and salary, straight commission, employee, nonemployee, we are trying to get the biggest bang for the buck and, naturally, we are trying to save as much as we can, so I think we will definitely come it consensus on that because this program is critical to us and the city.

But I believe for obvious reasons
that the rental registration coordinator
shall not be a relative of any person
currently working for the City of Scranton.

Any fines and fees collected shall be deposited on a daily basis and included in the form of a spreadsheet and a monthly report. In other words, nobody is hanging onto the funds or anything like that because there could be problems with that down the road.

And finally, if the coordinator and/or city fail to submit reports or attend public caucuses, the position of rental coordinator shall be eliminated. Now, that's got to be tweaked, we have to look at a way of -- all I'm thinking here is that, you know, we have to have transparency, we have to have accountability by the coordinator, and we're all working together with the administration to have this be successful, so if we get someone in there that's not going to be answerable and is not going to do what we request and what was requested of them under the RFP, then their

position is going to be eliminated and we will have to go from there.

So are just some ideas. If anybody has any additional ideas please give them to pass them onto Mr. McGoff or myself because, like Mr. McGoff said, and I know we all do, we want to have this implemented by the beginning of the year as a benefit to all our residents, and that's all I have to say on that one.

MR. JOYCE: If I may interrupt?

MR. LOSCOMBE: Sure.

MR. JOYCE: Perhaps we could ask

ECTV to put something on the peg channel regarding the rental registration program once everything is set and amended, well, actually, once the new ordinance is adopted to give the community a sense of awareness to prevent ignorance by some property owners that are renting out units.

MR. LOSCOMBE: And just finally, Mr. McGoff, on that if you want to meet with me personally at any time to go over any of this stuff or whatever, because I know we do want to get this expedited.

The next thing was I had a couple of complaints from over on North Washington Avenue by the jail. The complaints have to do with the parking. Apparently, in the last week the city has taken it upon themselves to post "No Parking" signs removing probably over a half a block of parking. Now, that area has permit parking for the residents. The parking that was eliminated is for visitors to the jail and employees of the jail.

Now, you know, certain staff of the jail have already had parking spots, but this has eliminated a number of parking spots making it more difficult, especially trying to find a parking spot in that neighborhood, for the employees, for visitors, even like clinicians stop at the jail to take care of patients. So with that in mind, Mrs. Krake, I would like to request that we find out from the police department and/or LIPS or DPW, whatever department is involved in this, if there was an ordinance, because I don't recall any ordinance passed to eliminate that parking in that area, and

if not I would advise anyone that's received a ticket to just hang onto it until this is resolved because I believe an ordinance is supposed to be passed for change of direction of roads and parking and stuff like that, if I'm not mistaken.

This past week also I attended the West Side Crime Watch meeting on Saturday, and I'm not going to elaborate on this because I think Mr. Joyce is going to discuss this; right?

MR. JOYCE: I will discuss this.

MR. LOSCOMBE: Okay, and we did attend that, it was on the Lincoln Jackson School and stuff like that, but Mr. Joyce and myself attended that on Saturday.

The other night I attended a

Pinebrook neighborhood meeting, and it

started at Rescue 1 where the Pinebrook

Neighborhood Association presented a plaque

to Rescue 1, because that's their

neighborhood fire station, and they wanted

to show their support because that station

has been closing on a temporary basis, also,

and leaving them high and dry because Engine

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15 at the top of the hill at Petersburg has been totally closed, so that area is very vulnerable especially in light of the blighted properties there and they were worried about that, worried about their neighborhood crime and stuff like that, also.

But at that meeting I had found out that 12 of our police vehicles at this time are out of service due to various mechanical problems, and I was thinking out loud and I'm not sure last year we had discussed the money that's given the city or supposed to be given the city by the landfill via the agreement for the landfill, and if I wasn't mistaken it wasn't strictly for garbage trucks it was for public safety, also, and, you know, I think we have gotten quite a good fleet of DPW vehicles at this point, I have noticed a few new ones on the road recently, I was wondering if it's possible if they could consider using that money towards the police vehicles this year, which are sorely needed. I mean, you have some of these vehicles where it's two men in a

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vehicle now, so if we could forward that information I'll provide that with you, Mrs. Krake.

Let's see here, and lastly, I won't go through them in detail, but back in -- I apologize, I don't have the date, it was probably back in July that we had submitted a number of Right-to-Know requests to Mr. McGowan based on information on building demolition and stuff like that. I believe there had to be about eight or nine requests and we received a response that they, you know, that they would be responding within 30 days, blah, blah, but here we are in October we have no response, we have a response to two out of maybe the eight. What do we do on something like that? Do we have to resubmit it? I mean, isn't a Right-to-Know supposed to be answered within Mr. Hughes, maybe you can answer that time? that or do we bring the department heads in here to a caucus to respond if they don't want to respond to a Right-to-Know.

MR. HUGHES: A Right-to-Know request has to be answered within 30 days either

within seven days unless they request additional time, up to 30 days. If it is not produced they have to state the reason why it's not produced. What would have to happen is if there is no reason given or if there is a reason given we would have to take an appeal of that to the Department of Community Affairs in Harrisburg, I have done that on my own behalf at times, so they would have to issue a ruling on that.

So, I mean, I don't know when the requests were issued if there was a reply and what was stated, but ordinarily if it's more than seven days they have to say because it's so voluminous that it's going to take extra time to get the documentation and all that, there has to be a reason for it or if they go confidentiality or anything like that for some reason why it would not be given.

Often times -- it has to be a written document that is being requested.

It must be a written document or something in writing, so that if -- you can't ask for

opinions and things like that, so I don't know what the responses were, I think if Mrs. Krake gets that to me we can take a look at it, but there is a definite -- there is an appeal procedure and there is a time limitation, also, for the appeal.

MR. LOSCOMBE: Sure. I believe on the letter he said to allow him 30 days, but, you know, it's well beyond 30 days and we haven't received any response on some of the detailed questions, but I'll make sure you receive a copy to review.

MR HUGHES: But, again, the question is you have to request written documents.

MR. LOSCOMBE: Specific documentation. Certainly.

MR. HUGHES: So if it's for something that's not in writing, then they can't produce it. That's the whole purpose of the request.

MR. LOSCOMBE: Okay. So perhaps, I mean, I believe some of them asked for specific documents, but if the others are more generic perhaps we can fine tune it and reapply it. Thank you very much.

MR. ROGAN: Mr. Joyce, do you have any comments or motions?

MR. JOYCE: Yes, I do. Tonight I would like to begin by commenting on the annual audit. As you may know, the annual audit is directed by the Home Rule Charter to be completed by May 31. It is now October 18, and we still don't have an audit.

The reason that we don't have a completed audit is not any fault of the firm conducting the audit, Rossi & Rossi, the reason that we don't have a completed audit is solely the fault of the administration.

Rossi & Rossi has been sending continuous updates of what information the administration needs to provide them in order to complete the audit. To this point, there are many outstanding items.

I have sent requests to Mr. McGowan, our business administrator, on a continuous basis asking for updates, however, he has yet to respond to a single request on this matter.

There are various purposes of an

audit, and I'll just mention a few. For instance, many banks may want to see a completed audit for issuing loans such as TANS. In addition to that, audits identify problems based on a thorough review of the municipalities financial control procedures and make recommendations that a municipality can use to improve it's operations.

Also, and independent audit provides valuable information to the community. It assures residents that public funds are being managed by the administration and it alerts them if there are problems, such as poor bookkeeping or mismanagement of the funds that need to be fixed.

Why the administration continues to violate the Home Rule Charter by not providing the auditor with the information needed to complete the audit in accordance with the due date is beyond my control, however, this matter needs to be addressed.

With this in mind, Mrs. Krake,
please contact Mr. McGowan and request that
a status update on all outstanding
information that is being requested by Rossi

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& Rossi, and in addition to this if Mr.

McGowan fails to answer this request, as he has done in the past, please address this with him at the next PEL meeting next Monday.

Secondly, as per city council's request, city controller Roseann Novembrino provided us with a report of PILOTS that have been paid to the city in 2011. As one knows, nonprofit organizations are exempt from taxes. Payments in lieu of taxes are important to our community as they assist the city financially. As of the present time, the city has realized \$33,927.44 in PILOTS, which is a comprised of payments from the Scranton Housing Authority and Lutherwood, which is a senior citizen living facility up in the East Mountain area. year the city realized \$204,313.97 in the proceeds from the PILOTS.

Mrs. Krake, given the financial position of the city, please send a request to Mayor Doherty and ask him to aggressively seek nonprofit payments. In Reading, PA, the mayor sought out two universities and a

hospital and is now receiving generous payments from both. It is my hope that the mayor will follow in the footsteps of the Mayor of Reading and aggressively seek these payments.

I know that there are organizations such as the university of the Scranton which usually donate on an annual basis, and given the financial state of the city I think the sooner we get those payments in the better off we will be.

Last Saturday, along with Councilman Loscombe, as he mentioned, I attended the meeting sponsored by the West Scranton Crime Watch group, specifically to address neighborhood crime and the proposed park in the CDBG action plan proposed to be built at the former site of Lincoln Jackson school.

At the meeting, Chief Duffy was present and presented some very informative information such as the amount of police calls in certain sections of West Scranton. For instance, there were 23 police calls at the A-Plus Minimart in West Scranton in a two-week stand that Chief Duffy studied.

Also, there were 14 calls in the 14th Street area in that same span. As you may or may not know, these locations are this close proximity to West Scranton High School. From attending past crime watch meetings, it's been expressed that there are problems with gangs in certain neighborhoods, and many of these gang members are teenagers, who may be dealing drugs on our streets and committing various violent acts, such as assaults.

And one of my ideas to help drive down crime among teenagers in the city was the institution of a city curfew, similar to curfews in neighboring municipalities such as Dunmore, for instance. My rationale for suggesting this was that it would give police officers probable cause to stop teenagers that may be pedaling drugs in our neighborhood late at night or causing other disturbance.

While Chief Duffy did express that
he would be all for a curfew, he did also
express that it would cause more obligations
to our police department, being that there

would be additional requirements on police officers when dealing with juveniles. These could make -- these requirements could make an it difficult for officers to answer other calls.

Therefore, it's evident that the city could not take a measure such as curfew at this time because it is not adequately staffed to handle it.

As you know, Mayor Doherty recently laid off 13 police officers which would make it even more difficult to handle the curfew. While Mayor Doherty laid off these police officers, he still continues to fund other workers that were not even budgeted for, which I see as extremely problematic, thus contributing to the city's problems and the Doherty deficit.

While we are on the topic of the Doherty deficit, council president, Janet Evans, and I did work on an alternative plan since Mayor Doherty has refused to appear in council chambers to discuss the parameters of his plan. We believe that our plan is more effective and I'll leave it to

Mr. Evans to discuss in greater detail in her part of the motions and comments.

In regard to the park being proposed by the 2012 CDBG action plan, in my view, and I am assuming since Mr. Rogan decreased the funding to zero it's in the majority of council's view, if not all, that it's a matter of priority. Construction of the park is marked for \$350,000 of federal funding. This funding could also be used for paving streets in low to moderate income areas as well as blighted home restoration and demolition.

While it would nice to have a park, there are questions about the maintenance of the park among local residents as well as expressed at council meetings and the neighborhood meeting. I firmly believe that the site of Lincoln Jackson School can be put to a better use.

For instance, Mr. Arthur Russo

purchased a former school building on

Jackson street, which is the site of

Hamilton Hills Apartments, which is an asset

to the West Scranton community, as it took

care of a building that was falling apart and converted it to upscale apartments that are contributing to the city in the means of real estate taxes and also wage tax revenue of the working residents that reside there and quite possibly even more rental registration revenue.

Point-blank, I firmly believe that the \$350,000 can be used for more constructive measures that are more a priority to our city at this time and I am glad that the majority of my council colleagues agreed with that as well.

I received a number of citizens' requests over the past week, but for the sake of the time and brevity I will hold off on those for tonight, however, for anyone that sent me a request in the past week rest assured that will be handled my our office and we will be pursuing whatever you sent in, and that's all.

MS. EVANS: Thank you.

MR. ROGAN: Excuse me, one moment.

Mr. Joyce, if I could just piggyback on what
you said, I agree completely and \$338,000 of

that \$350,000 was used for paving, so almost all of it --

MR. JOYCE: Right. Yes.

MR. ROGAN: -- was used for paving, so I think and it was all five of us on council that agreed that that money could be better used in the community and in other ways, and when you go out in the neighborhoods the first thing everyone says we needed is we need our roads paved, so that will definitely go a long way in our community.

MS. EVANS: Thank you, gentlemen.

Good evening. Throughout the last week the
Scranton Times has employed scare tactics
through it's articles and editorials to
needlessly frighten and mislead the people
of Scranton and to intimidate Scranton City
Council.

Let's clear up several issues here and now. First, unlike Harrisburg, the City of Scranton is not in any danger of bankruptcy because it has many available options to solve it's deficits.

Second, the \$18 million deficit

projected for 2012 by a Scranton Times' news reporter is more smoke and mirrors.

Further, the actual deficit will not be addressed through tax increases or deep cuts to public safety, but all other options are on the table.

Tax increases and cuts to public safety only serve to harm the people of Scranton by jeopardizing their safety and welfare.

Third, Mayor Chris Doherty submitted a bogus 2011 budget to city council that concealed an approximate \$11 million hole and followed up by refusing to implement revenue generators to fill his budget hole.

Despite the mayor's documented financial chicanery and mismanagement, Scranton City Council is not engaged in a game of the quid pro quo.

Although the Scranton Times and
Christopher Doherty view government as a
game between, "Mortal political enemies," as
termed by Josh Mrozinski and relished
promoting it as a blood sport to sell its
newspaper, I do not play games with the

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lives of the people of the City of Scranton.

Point your pens at the master of political and financial games and intrigue, the mayor of Scranton.

City council will not entertain the mayor's proposed legislation to meet a current deficit because the sale of the parking meters and the Scranton Parking Authority's plan to borrow \$14 million are financially irresponsible and unsound The mayor refused to submit the measures. specific uses, that is, accounts and budget line items for the millions he wishes to The mayor refused to act as an borrow. elected official and publically address the taxpayers and council of the City of Scranton, and most notably, the mayor has a documented record of bypassing council adopted legislation and substituting his own.

He ignored and violated the 2011 amended operating budget by reinstating DPW supervisors and casual workers, awarding raises and halting new revenue generators.

Christopher Doherty refused the

seating of two city residents and taxpayers on the Parking and Redevelopment

Authorities, while seating other city residents on all city authorities without the consent of city council.

Mayor Doherty crossed off his name months after signing legislation and substituted his own contract for the contract legally and lawfully adopted by Scranton City Council.

He then submitted his own towing ordinance for enactment following city council's legal and lawful unanimous adoption of an amended towing ordinance.

Next, Mayor Doherty laid off 21 police officers and firefighters without submitting legislation to city council as directed by the Home Rule Charter and Administrative Code.

Most recently, he submitted to HUD and enacted his own 2011 CDBG allocations in defiance of city council's amended CDBG allocations.

These ten documented examples clearly demonstrate that the mayor refuses,

circumvents and/or substitutes the legislation legally and lawfully adopted by Scranton City Council.

Therefore, the only way in which to stop Christopher Doherty from proceeding with the Doherty deficit legislation is to keep it off the agenda. Simply put, council could introduce his irresponsible legislation and vote it down, but the mayor would then implement his legislation as he has done in the past despite the vote of the council. To believe that the mayor would accept a "no" vote is preposterous.

Fourth, in regard to the October 17 news article, HUD officials, Steven Stein, and Nadab Bynum, both advise city council to submit it's 2011 amended CDBG allocations to Mr. Bynum. Further, Mr. Bynum stated that he would forward both the mayor's and the city council's amended allocations to HUD attorneys for review.

I first stated these facts for the record during the October 11 city council meeting. Although it true that HUD does not involved itself in local politics, Mr. Bynum

did not consider this to be a matter of politics or a routine process. This is yet another example of inaccurate news reports that caused members of the council to refrain from speaking with the Scranton Times. However, council members continue to avail themselves to reporters and editors of GO Lackawanna and local television news stations because they present accurate and unbiased reports to the public.

Also, city council meets publically on a weekly basis while Christopher Doherty, the self-proclaimed sixth councilman, completes his tenth year as mayor having attended only two city council meetings and without having delivered any state of the city address to the people or city council or having participated in any town hall meetings. Instead, he speaks through the Scranton Times. After ten years of avoiding the people of Scranton, isn't it finally time that his supporters and apologists demand openness and transparency from Christopher Doherty?

Fifth, Mr. McGoff questions the

openness and transparency of this council. My colleague is an intelligent man, and an intelligent man would certainly agree that proposals are not made public before they are formally presented to the parties with whom you seek to forge an agreement. How many times have wealthy developers, for example, refused to disclose potential buyers and tenants. In fact, Mr. Austin Burke, of the Greater Scranton Chamber of Commerce, would not disclose such information to council and Mr. McGoff was agreeable.

In addition, Mr. McGoff minimizes the financial maladies of our city by attributing the problem to a power struggle. Perhaps he knows the mayor so well that he can judge his character and actions, but he seems to know little of the character and actions of his fellow council members who have approved over 90 percent of the mayor's legislation and offered numerous and continuous alternatives to those issues with which they disagree.

A reasonable man would call for

openness, transparency and cooperation with Mayor Doherty to reciprocate for the openness and cooperation provided by the council of which he is a member.

Six, the twisted logic of Mayor

Doherty and the Scranton Times should be apparent to all. The mayor and the newspaper proclaim Scranton a strong mayor form of the government in which an infallible mayor makes all decisions single-handedly, while city council should approve all legislation unquestionably.

If council fails to do so, the mayor over steps the legislative branch of government. However, when a crucial issue arises and the going gets tough, suddenly the strong mayor not only blames the council he says is powerless, but also needs the council to solve the crisis. How do they reconcile this error in logic?

If the mayor is all knowing and all powerful, shouldn't he have solved his deficit without the assistance of council which he believes to have no power? At the end of the day, however, city council is

trying diligently to help in any way it can within the context of this strong mayor form of government.

Since the mayor refuses to act responsibly, council has been actively working towards a better solution.

Approximately two weeks ago, Finance Chair Frank Joyce and I participated in a preliminary meeting with local banking officers and pitched our idea to retain parking meters, a city asset and annual revenue stream, while addressing the current deficit.

We were advised to develop a formal proposal to be offered at a later date. The proposal was drafted and yesterday council solicitor Boyd Hughes made the formal presentation with my authorization. Late last week, Attorney Hughes was also in contact with an investment banker who is very interested in our proposal. I have asked Attorney Hughes to present council's proposal to the public this evening, and so at this time, I defer to him.

MR. HUGHES: Thank you, madam

president. I do have handouts here for the public to take a look at while I make the presentation. Council has the handout. I want to try to get this so that everyone can see it.

What we have is on line number one, up there from the city's budget this year, the parking meter revenue from this account number or line item, it was estimated \$1.4 million, the actual collected up through the end of the July is \$555,709.10, the amount that's forecasted by the business administrator from our March to December is \$592,476.90. That's a total estimated revenue by the end the year from the parking meters of \$1,148,451.

You will see that I have various footnotes, footnote number one there is right there, these revenue figures are taken from the business administrator's July tax report. The footnote number two for the estimated revenue that's 90 percent of the revenue that the city receives, so that the actual amount of the revenue is set forth on line number three right there, that would be

collected this year would be \$1,276,000.

In addition to the budget, the city provided the Parking Authority this year with \$562,235. When I deduct that from the revenue, we come out to the total net revenue just of the parking meters would be \$586,216.

What is proposed is that the contract with the Parking Authority to have them have the parking revenue people on their payroll would be terminated in this budget for 2012. As a result, the city will have a total of the entire revenue, 100 percent, would be \$1,276,000. We have assumed that the \$562,000 that was paid to the Parking Authority last year for the former city employees did not come back to the city, we would keep that the same. However, we believe that this is extremely overrated for this reason:

There is only six employees that are involved in the parking meter revenue, and that's set forth in footnote number three.

There are four citation issuers, one street coordinator and one meter repairman. With

all those positions back on the city payroll, even if that \$562,000 was just in half, that would free up an approximate \$285,000 that would be in additional revenue. I have not assumed that in these calculations.

So what we have been done is that the net revenue of parking meter revenue to the city in 2012 would be \$714,000. What I did, I took under number four, would be that if the city would borrow \$6,500,000 from a bank we would then pledge the parking meter revenue to be secured to pay the loan along with the city's full faith and credit as backup to pay the loan.

I then made a calculation that the city would borrow \$6.5 million at 6 percent over ten years. I used a mortgage table, I didn't have an amortization or what would be in a public issue for a bond issue, so I just went to a mortgage table, an amortization schedule, 6 1/2 million at 6 percent over ten years would be \$72,163,65 per month or \$865,964 a year.

We bring in the parking revenue

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estimated of \$714,000, we would have a shortfall of \$151,965. The 6 1/2 million dollars, which is set forth in footnote number three, I'm sorry, four, this is based on PEL's letter of October 3, 2011. \$6.5 million really comes from two figures, one is last year, it came from this year's tax anticipation notes, I believe it was "A", which is \$5 million. What happened, when that money came in in January, the Unit Debt Act and council's ordinance was violated, the act was illegal under the Unit Debt Act in that when this year's TAN came in of \$5 million, the mayor took that and had that to pay off last year's TAN. Ιt cannot be used to pay off any of last year's bills. It can only be used to pay off this year's bills and this year's employees and salaries, so that \$5 million was a \$5 million deficit last year and as a result when this year's tax anticipation note \$5 million of that was taken to pay off last year's bills was an automatic \$5 million hole in this year's budget.

The other \$1.5 million came from a

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statement that I made in council regarding the sale of the city's of 2004, 5 and 6 delinquent taxes to Pennstar Bank back in 2008. That matures December 15 of this The loan is in default and today I year. was just e-mailed ironically a complaint of Pennstar Bank, it's 168 pages, that is suing the City of Scranton for \$1.5 million. Actually, it's \$1,560,398.80, that's what's due on the note that the city executed with the Pennstar Bank for \$2,296,570. There is interest due of \$227.56 per day from May 19, that's 152 days as of today for a total of interest off \$34,598.12 for a total of \$1,595,987 due Pennstar Bank as of today and going up \$277 per day.

So those two figures ironically is the total that PEL says has to be borrowed this year. When we put that together, we then take what is estimated in the city's budget for the parking tickets and parking meter permit fees, that's on line item number five, and that would be used, that's estimated at \$700,000, and that's footnote number six. In the budget this year, it was

projected as \$675,019 in parking meter tickets and permit fees for a total of \$25,000 for a total of \$700,000.

So we take the shortfall of \$151,965 from the \$700,000 of the parking tickets and meter fees, that would leave for this year's budget \$548,000 by the city borrowing \$6.5 million for ten years at 6 percent. Paying that off to the bank over a period of ten years we would actually have almost \$550,000 of revenue by keeping the meters.

At the end of ten years, the city would have received in it's budget a total of almost \$5 1/2 million and at the end of ten years you would have \$1.4 million back into the budget by keeping the parking meters.

If you sell the parking meters right now, you have \$6 million to plug up a hole, you don't have any income, and you are never going to have any income and it's going to be gone, the asset is gone. Really what you are doing from a statistical standpoint is it selling it at four times earning. You have an asset that's producing, you know,

\$1.4 million or selling it for \$6 million and as a result you are really giving it away in my opinion.

I have discussed this with a bank, they are very interested in looking at it. They would rather wait until the city's budget comes out to see what's happening with the deficit. This would clear up this year's deficit and plug up the \$6.5 million hole. The sooner that this could be done, there would be money to the city to pay the bills by the end of the year, have all of it's bill paid and wouldn't end the year up with a deficit.

I also discussed it with an investment banker regarding the issuance of a public -- of a bond issue, they are interested in this, also. The one factor that is really not firmed up in this is the interest rate of 6 percent, however, I think it should be somewhere between 6 and 7 percent, but I believe that there is enough of leeway in there that that could easily be paid.

If anybody on council has any

questions, I would be glad to answer them, and I believe this litigation was in the paper this morning.

MS. EVANS: Yes, it was.

MR. HUGHES: And I got e-mailed a copy of it, I wasted 160 some pages of my copy machine, but we are not directly involved, but at least Attorney Winfield did forward this to me, e-mailed it to me.

MS. EVANS: Yes, and I believe that the contract that was negotiated by council and yourself with Northeast Revenue Service provides for the collection of delinquent taxes from 2004 through 2010, and the first \$1.5 million approximately would be designated to repayment of Pennstar Bank to clear up this default and, then that which would be collected beyond the \$1.5 million, of course, would come into revenue to the City of Scranton.

So I feel that our solicitor and city council did more than it's part in addressing this default long before it actually occurred. At the time I asked that the administration and the mayor

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specifically would contact Rhodes and Signon and Pennstar Bank and communicate to them that a new delinquent tax collector had been hired, there were new policies in place, that they would begin working as soon as possible and, you know, what provisions council had provided in this contract for the repayment of that debt.

According to go what I read in the newspaper, that conversation evidently never occurred, so I would say the ball now is in the mayor's court.

MR. HUGHES: I would state this, that that was a loan in default the minute the papers were signed when was it floated in 2008. There was no way that loan could be ever paid. The total amount of the city's delinquent taxes for '04, '05 and '06 were \$2,233,439. Pennstar lent 90 percent of that to the city or \$2,109,000. However, the fees to the SRA, the Scranton Redevelopment Authority, to pay all of the fees involved in that was \$187,000. added the \$187,000 back to the 90 percent. The total amount lent to the city on

delinquent taxes was \$2,296,570. That's an effective 98 percent loan rate, it's 100 percent financing on delinquent taxes.

MS. EVANS: Which is ludicrous.

MR. HUGHES: So that as soon as the papers were signed and before the ink was dry that loan was going to default. There is no way that you could collect 100 percent delinquent taxes for those years, and it's shown because of that amount right now of the \$2,343,000, there is still \$1,560,000 that's owed.

MS. EVANS: Yes.

MR. HUGHES: So that that would have to be collected by Northeast Revenue Services between now and the end of the year, which is impossible.

MS. EVANS: Correct.

MR. HUGHES: So whatever they do collect on 2004, five and six delinquent taxes would go to reduce that amount that Pennstar is suing for, just the 2003, four and five.

MS. EVANS: Thank you.

MR. HUGHES: That's all I have.

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MS. EVANS: Thank you.

MR. LOSCOMBE: Good job.

MS. EVANS: We hope as a council our proposal will be successful and agreeable to Mayor Doherty as well. And, of course, as our solicitor indicated, the banking community would like to see the financials of the city as well to include the most recent audit, which the administration has been holding up now for at least five months and will not supply the requested information to the auditor, and they would also like to see a copy of at least a proposed 2012 budget.

Now, city council has taken action in the best interest of the taxpayers of Scranton in an effort to avoid the sale of a city asset, the perpetual loss of revenue and the taxpayers' guarantee of an additional 14 million in borrowing by the Scranton Parking Authority. In order to -there goes some of the greatest people in the city. (Fire engine sirens.)

In order for the Doherty administration to obtain 2012 tax

anticipation notes, it's imperative that an agreement is forge das soon as possible. In the interim, the people need to know that the city will not declare bankruptcy and city council will not be intimidated into approving irresponsible plans.

Next, in response to

Mr. Scopelliti's letter to city council

regarding it's anticipation shortfall, I ask

that Council Solicitor Hughes would draft a

letter on behalf of council and forward it

to the Scranton Parking Authority with the

agreement of my colleagues.

MR. JOYCE: Yes.

MR. LOSCOMBE: Yes.

MS. EVANS: Also, please include in that letter a reminder of the annual 2011 payment in lieu of taxes from the Scranton Parking Authority to the City of Scranton as included in the operating budget. And, in fact, it just occurred to me the 2012 payment will be soon due as well.

Scranton City Council received a copy of a letter from the East Mountain residents Association to Mayor Doherty on

October 13 requesting that a sign be posted at Engine 10 indicating the open or closed status of the firehouse. Further, the letter states, "As a group we are concerned about the temporary closing and oppose any future plans that may as a result in more temporary closing or the permanent closing of Engine 10."

With the agreement of my colleagues, I ask Mrs. Krake to forward a letter to Mayor Doherty on behalf of Scranton City Council urging him for the second time to post notice of fire station closings and/or brownouts at Engine 10 and all fire stations throughout the City of Scranton.

Next, according to the terms of the construction service agreement between Locust Ridge Contractors and the Scranton OECD, paving of five city streets including the 400 block of Pine Street, Ridge Row as marked, 900 block of Martha Avenue, 300 block of North 9th Avenue and the 200 block of Railroad Avenue shall be completed on or about October 31, 2011.

And finally, I have citizens'

requests for the week, which I will submit to our office to forward to the appropriate city departments later this week, and that's it.

MR. JOYCE: If I may interrupt for a second, I just wanted to comment. While the plan that Councilwoman Evans and I came up with may not be a perfect plan, we firmly believe it's an effective plan when comparing it to Mayor Doherty's for the following reasons I am just going to give you right now:

One, it doesn't sell away a city asset that produces revenue for the city.

And two, it doesn't use unfunded borrowing as a means for handling the problem. For instance, approaching the Courts for unfunded more borrowing may be mean that the Court may mandate a tax increase as a means to fund the borrowing. Our plan gives us and the administration the method or the way to determine how the borrowing is funded. As mentioned in the Scranton Times today, council has various ideas in regards to generating revenue in

2012 for the budget. Mr. McGoff and Mr. Loscombe provided some insight in the rental registration program, for instance.

In addition to what it has been mentioned, council would also like to see a payroll expense tax on businesses, as I mentioned last week with the phaseout of the business privilege and mercantile taxes, as well as the commuter tax and an amusement tax, and with all of these initiatives we firmly believe that we could fund the borrowing of this money to get us out of the hole that we are in right now.

MS. EVANS: And I think maybe just quickly I'll add, with the implementation of the StreetSmart Technologies Parking Program, the city very likely according to this statistics and proposals provided by StreetSmart, could have doubled it's parking meter and ticket revenue from approximately \$2 million a year to \$4 million year. The mayor, unfortunately, chose not to implement that. If, however, the mayor would now agree to do so, it would enable the city to not only address it's deficit more

appropriately, but -- in the future that is, but in addition the city would have the capability to make payments on the proposed loan at a much faster rate, which that, of course, would drive down the overall cost of interest while still bringing revenue into the city annually.

So it my hope as well, I have discussed this that with the banks as well. They thought it was a very fine idea and could not understand why it had not implemented. It's something they would like to see done as well so that the city can stand on more financially solid footing in 2012.

MR. ROGAN: I guess I'll make a very, very brief comment as well. I will say more next week since as most of us this is the first time I did see this proposal.

As I stated in the past, and I believe we all have, that the sale of parking meters it's a terrible idea for the city. Again, I'd have to look through these numbers a little bit more and talk to my colleagues about it. I would hope that somehow an

arrangement could be worked out where future cuts can be worked in the proposal as well where the city's budget is capped in the future at a certain dollar amount. But again, they are all discussions we can have and I will be reviewing this and talking to all my colleagues.

MR. HUGHES: Madam President, if I could just two quick items. I don't believe I mentioned it, but if the parking meters are sold the city would also lose the revenue from the bag meters and also from the parking tickets, so that's the \$1.4 million that would be gone forever.

MS. EVANS: Yes.

MR. HUGHES: And you'd be coming back in 10 years. And ironically the other day, in fact, it was yesterday, I had to go to the Clerk of Judicial Record's Office, I pulled up to a parking meter, I go to put a dollar, four quarters in, and there is I think one hour left on the meter. So I just put the quarters back in my pocket and I went in and I came back out and I was in there for a half an hour and when I left

there was still a half an hour on the meter, so somebody else came up and got a half an hour. I think with StreetSmart were in there at least would have been two dollars, you know, at least two dollars that would have been there that wasn't there, and then the other person that had to come and put money in the meter so they get the free half hour, but that's my experience.

MS. EVANS: And there would have been a high level of accountability for all of the dollars brought in through the StreetSmart Parking Program, and that seemed to have been an issue for the Scranton Parking Authority, they preferred to keep their hands on the money and to keep this outside resource away from the money, but it certainly would have been our preference to have that type of daily accountability for every dime that's coming from meters and tickets into the City of Scranton.

In addition, I think in terms of the parking revenue, not only would it make changes that our solicitor explained, but it would advance capabilities for those who

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expenses. Mrs. Krake?

park by, for example, allowing you by use of your cell phone to obtain additional minutes or hours at your parking meter without having to leave, let's say, your place of business or restaurant in order to fill the meters once again.

So it's utilized successfully in Easton, in Wilkes-Barre, I forget how many other municipalities throughout the Commonwealth of Pennsylvania as well as in larger municipalities such as Dallas Texas, San Francisco, California, it is a highly successful and proven company who had a sole source declaration for it's use and that sole source declaration was not accepted by the Mayor of Scranton, and think it's very clear that the reason this was not implemented was because the mayor had a plan long, long ago and that plan was to sell the parking meters and to try to take care of the Scranton Parking Authority in the process.

MR. LOSCOMBE: At your expense.

MS. EVANS: Yes, at all our

MS. KRAKE: 5-B. AUTHORIZING THE 1 EXTINGUISHMENT OF THE PERMANENT EASEMENT FOR 2 INGRESS AND EGRESS AT THE CORNER OF MARION 3 4 STREET AND NEW ROSS AVENUE AND TO ANNEX SAID LANDS TO BE CONVEYED BY THE CITY OF SCRANTON 5 6 TO RONALD F. KITLAS AND MARY ANN KITLAS. 7 MS. EVANS: At this time I'll 8 entertain a motion that Item 5-B be 9 introduced into it's proper committee. 10 MR. ROGAN: So moved. 11 MR. JOYCE: Second. 12 MS. EVANS: On the question? A11 13 those in favor of introduction signify by 14 saying aye. MR. MCGOFF: Aye. 15 16 MR. ROGAN: Aye. 17 MR. LOSCOMBE: Aye. 18 MR. JOYCE: Aye. 19 MS. EVANS: Aye. Opposed? The ayes 20 have it and so moved. 21 MS. KRAKE: SIXTH ORDER. NO BUSINESS AT THIS TIME. SEVENTH ORDER. 22 NO BUSINESS AT THIS TIME. 23 24 MS. EVANS: If there is no further 25 business, I'll entertain a motion to

<u>CERTIFICATE</u>

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes of testimony taken by me at the hearing of the above-captioned matter and that the foregoing is a true and correct transcript of the same to the best of my ability.

CATHENE S. NARDOZZI, RPR OFFICIAL COURT REPORTER