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SCRANTON CITY COUNCIL MEETING

HELD:

Thursday, November 1, 2012

LOCATION:

Council Chambers

Scranton City Hall

340 North Washington Avenue

Scranton, Pennsylvania

CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER

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CITY OF SCRANTON COUNCIL:

JANET EVANS, PRESIDENT

FRANK JOYCE, VICE-PRESIDENT

ROBERT MCGOFF

PAT ROGAN

JOHN LOSCOMBE

NANCY KRAKE, CITY CLERK

JAMIE MARCIANO, ASSISTANT CITY CLERK

BOYD HUGHES, SOLICITOR

1 (Pledge of Allegiance recited and
2 moment of reflection observed.)

3 MS. EVANS: Roll call, please.

4 MS. MARCIANO: Mr. McGoff.

5 MR. MCGOFF: Here.

6 MS. MARCIANO: Mr. Rogan.

7 MR. ROGAN: Here.

8 MS. MARCIANO: Mr. Loscombe.

9 MR. LOSCOMBE: Here.

10 MS. MARCIANO: Mr. Joyce.

11 MR. JOYCE: Here.

12 MS. MARCIANO: Mrs. Evans.

13 MS. EVANS: Here.

14 MS. KRAKE: THIRD ORDER. 3-A. TAX
15 ASSESSOR'S REPORTS, HEARING DATES HELD ON
16 OCTOBER 3RD AND 18TH OF 2012.

17 MS. EVANS: Are there any comments?
18 If not, received and filed.

19 MS. KRAKE: 3-B. LACKAWANNA COUNTY
20 PLANNING COMMISSION SUBDIVISION AND LAND
21 EVALUATION RECEIVED OCTOBER 15TH, 2012.

22 MS. EVANS: Are there any comments?
23 If not, received and filed.

24 MS. KRAKE: 3-C. MINUTES OF THE
25 SCRANTON LACKAWANNA HEALTH & WELFARE

1 added, which will be made with Splenda, will
2 be sold for \$11 each. Regular baked pies
3 will be \$11 each and baked pies with no
4 sugar added, which will also be made with
5 Splenda, will be sold for \$12 each. To
6 place an order for the pies please call
7 342-8263 and the last date for orders will
8 be November 13. That's all.

9 MS. EVANS: Thank you. The 2012
10 election is fast approaching. As you go to
11 the polls this Tuesday, November 6, remember
12 that you do not need a photo ID to vote in
13 this election. Please be sure to vote.

14 The Pancreatic Cancer Action Network
15 will hold it's Cheers to Hope fundraiser
16 this Sunday, November 4, from 5 to 9 p.m. at
17 the Radisson Lackawanna Station Hotel in
18 Scranton. A suggested donation is \$35.
19 Live entertainment includes the Fab Three,
20 the East Coast Trio, Angelina and the Cue
21 Balls. 2012 honorees are Bill Schakowsky,
22 Tammy Saunders and former mayor James
23 Connors. Please support this worthy case.

24 The Fraternal Order of Eagles in
25 Scranton will conduct it's annual craft fair

1 on Saturday, November 10, beginning at 10:00
2 a.m. Various crafts and holiday items will
3 be available for purchase. All proceeds
4 will fund a Christmas party for foster
5 children in our community. For more
6 information please call the club at
7 961-5495. And that's it.

8 MS. KRAKE: FOURTH ORDER. CITIZENS'
9 PARTICIPATION.

10 MS. EVANS: Our first speaker
11 tonight is Ozzie Quinn.

12 MR. QUINN: Good evening.

13 MR. LOSCOMBE: Good evening.

14 MR. QUINN: Ozzie Quinn of the
15 Scranton taxpayers. I got a call last week
16 from a woman in South Abington who was
17 formerly from South Scranton who was really
18 upset about the state of the city in regards
19 to the debt and the way that the
20 neighborhoods are being torn apart and she
21 asked me to refer back to a story that was
22 written by Robert Swift of the Harrisburg
23 Bureau Chief at the Scranton Times on August
24 7, 2012, and Mr. Swift, I did e-mail him and
25 he said he would e-mail back, and basically

1 what the story is about is the fact that
2 Robert Freeman, he is a Democratic
3 representative from Easton and he was former
4 chairman of the local government committee
5 and a high ranking Democrat, and he is
6 trying to address the nonprofits in the
7 State of Pennsylvania in regards to them--
8 from beginning -- not all being tax exempt,
9 only a certain percentage of them.

10 Now, he had it in the committee, it
11 was spoke about in the fall, and after the
12 election, he is up for reelection, if he is
13 elected I spoke to him today in his office,
14 that he will reintroduce it, and basically
15 he says that he is convinced that it would
16 be a way of saving our municipality slipping
17 into Act 47 status or currently in Act 47.

18 We all know that commuter taxes and
19 bond issues and raises taxing and whatnot is
20 not going to able to erase this debt and
21 it's like a knee jerk. Every time we have
22 to pay something and it's a tough thing to
23 do and I know we are coming on board with
24 some new state legislators and I think, Mrs.
25 Evans, I think you ought to sit down with

1 Mr. Blake, or Senator Blake. I think
2 Mr. Freeman is very much interested in the
3 fact and he wanted to distribute the wine
4 and liquor sales to the cities who are
5 distressed, okay, the taxes. However, DCED
6 felt that would be better if they looked at
7 the payroll tax or a tax on public utility
8 in place of the local property law.

9 But what I'm here for is the fact
10 that there is a lot of interest going on
11 across the state as we all know with so many
12 cities that are in distress and I'm hoping
13 that you will stay on top of this after the
14 first of the year and so because there is --
15 this money has to be paid back by the state.

16 The award to the firefighters union,
17 rightfully so, is one of the problems that
18 was caused by PEL because they said they
19 arbitrated -- nonarbitrated, okay, so I
20 can't see any way of getting out of this
21 here mess, financial mess. If it was just a
22 million or two, but we are really, really in
23 debt and our population and our unemployment
24 and whatnot it's going to be tough, so I
25 think we appreciate it and anything the

1 Taxpayers' Association can do to meet with
2 you and a group of representatives we would
3 be glad to do that to see if he we can't
4 move along something, to move Act 47 along
5 so there won't be just talk, will be there
6 to get talking and won't be going anywhere
7 but really move is along next year.

8 Hopefully, also, next year will be
9 the last year of Mayor Doherty's term and
10 I'm sure that he will be putting together
11 again, Mr. Rogan, an OECD plan and I think
12 that actually since he is a lame duck I
13 think the fact is that maybe you should look
14 at this very carefully and sit down with HUD
15 and then talk about that housing
16 rehabilitation I was talking, if you can try
17 to arrange a meeting with HUD and you will
18 see it's not Ozzie Quinn this to you, HUD
19 will probably repeat the same thing, but
20 they will tell you that it's up to the mayor
21 of the city who is in charge of the CDBG
22 program. So I ask you to stand stay on top
23 of those two issues. Thank you very much.

24 MR. ROGAN: Thank you, Mr. Quinn,
25 and I just remember last week you mentioned

1 about having the mayor come, those letters
2 were sent out last week per your request.

3 MR. QUINN: Thank you.

4 MS. EVANS: Doug Miller.

5 MR. MILLER: Good evening, Council.
6 Doug Miller, Scranton.

7 MS. EVANS: Good evening.

8 MR. JOYCE: Good evening.

9 MR. MILLER: I'd just like to begin
10 once again, the last few weeks I have been
11 discussing Engine 7 and I have stated each
12 week I was going to continue to inform the
13 public what was going on. Yet again Engine
14 7 is still closed as we continue to
15 jeopardize the health, safety and welfare of
16 the residents of West Side and no action has
17 been taken by our illustrious fire chief,
18 Tom Davis.

19 Moving on to a few other issues
20 tonight, we are made away today that we were
21 giving approval for additional unfunded debt
22 borrowing in the amount of \$9.75 million,
23 which will be paid back over 10 years
24 through a tax increase, certainly the
25 funding that's necessary to get us through

1 the remainder part of this year and moving
2 forward.

3 Secondly, we were also made aware
4 that a hearing date has finally been set in
5 regard to a commuter tax and that is
6 December 10. It's a 1 percent commuter tax
7 that's been proposed and, obviously, it's a
8 an integral part of the revised recovery
9 plan as we are relying on that much needed
10 revenue, \$2.5 million next year, and I
11 believe \$4 million in 2014 to 2015.
12 Certainly it's necessary moving forward,
13 without it we are looking at substantial tax
14 increases in amounts that the taxpayers of
15 this city simply can't take on right now.

16 And as I have stated week after
17 week, those city residents who do oppose the
18 commuter tax, in other words, are asking for
19 an additional tax increase and I certainly
20 don't think that's something we want. We
21 are asking for everyone to pay their fair
22 share and that's what this is all about and
23 nothing more, and I don't think it should be
24 a political issue of those outside of the
25 city who certainly through letters to the

1 editor and other outlets have made a big
2 issues out of it and I certainly find this
3 to be an issue that shouldn't be political,
4 we are simply asking for the fair share.

5 We have been talking about, we
6 discussed that tonight with the Scranton
7 Lace project, obviously, there is questions
8 on the alleged art studio I believe and
9 there is questions as to whether or not that
10 would be a nonprofit and if they will be
11 exempt. I think that's something we need to
12 look because if that is the case I certainly
13 am opposed to that. When we are talking
14 about paying our fair share I don't think we
15 should allow that to take place. Certainly
16 an investment that's being made in the
17 neighborhood I support, but at the same time
18 I don't feel we should be giving a free ride
19 to a select few. What's good for one is
20 good for all.

21 You know, if we are going to build a
22 bright future, as I've said, we need to be
23 innovative and we need to come up with the
24 unique solutions to move you us forward.
25 They are not easy decisions. We need the

1 revenue generators and simply making
2 editorials in the paper in the Scranton
3 Times drawing their political cartoons and
4 mocking city government isn't going to move
5 up forward and I have many things to say
6 recently with the recovery plan and the
7 commuter tax and opposition and I just feel
8 that being in opposition and making comments
9 in the paper and through their cartoons
10 instead of for the last ten years covering
11 up the fiscal mismanagement of this
12 administration maybe they should have
13 exposed it and came up with some ideas and
14 solutions to help lead the city government
15 forward, but they took the approach to cover
16 it up to protect the administration and
17 mislead the public on what's really going on
18 in the city.

19 On the agenda tonight, 7-A dealing
20 with the legislation on the liquor license
21 for the Big House Tobacco Outlet located at
22 200 Greenridge Street, it would be approving
23 the transfer of a restaurant liquor license
24 currently owned by Little Nikki's Pasta
25 House on Fallbrook Street in Carbondale,

1 obviously there was some concerns about
2 this. I, myself, had some of those concerns
3 as to why the tobacco outlet would be
4 requesting a restaurant liquor license and I
5 know we tabled this a few to try and get a
6 response to that and I don't know at this
7 point in time if we do. I see it's in
8 Seventh Order, if we are aware as to why
9 they would be even requesting a restaurant
10 license.

11 MS. EVANS: I'm going to address
12 that under motions, Mr. Miller.

13 MR. MILLER: Thank you. I certainly
14 am, like I said, a little concerned by that
15 and look forward to hearing the response
16 later on.

17 Finally tonight, I was made aware of
18 a rumor that was been floating around town
19 in regards to garbage collection in the city
20 and maybe somebody here tonight can maybe
21 set the record straight and maybe clear it
22 and let us know if it's simply others
23 misleading the public on what's going on,
24 but I was told that the DPW would be no
25 longer collecting garbage for nonprofits,

1 K0Z's and particular churches throughout the
2 city and I just wanted to know if there is
3 any truth to that rumor and maybe we can
4 send a letter to DPW and try to get a
5 response to that. I was made aware of that
6 today.

7 MS. EVANS: I have not heard
8 anything.

9 MR. MILLER: It was news to me, I'd
10 thought I would bring it up tonight.
11 Certainly was a little surprised, I have
12 never heard of anything like that before,
13 but maybe we can address that with
14 Mr. Dougher and get a response.

15 And with that said, with the
16 election on Tuesday I'll just encourage
17 everyone to exercise their right to vote and
18 that's all tonight. Thank you.

19 MS. EVANS: Thank you. That
20 concludes our sign in sheet for the evening,
21 but I'm sure there are those in the audience
22 that would like to address council.

23 MR. SBARAGLIA: Andy Sbaraglia,
24 citizen of Scranton. Fellow Scrantonians,
25 since I have been up to Mt. Airy and lost my

1 share of money, I'm very particular on this
2 thing. I assume you all went down there and
3 examined the project before you vote on it?
4 You are not going to vote on something you
5 didn't actually go down and see. I hope not
6 anyway. I hope you have more common sense
7 than that. Just look at what happened up
8 there with the 33 million we poured into
9 that half a block of Lackawanna Avenue.
10 When are you going to go down -- if it's a
11 viable project and looks like a good project
12 examine it.

13 If somebody tells me, "I spent \$2
14 million on that project," I want to see
15 where that \$2 million went into that
16 project. We know they are going to tear
17 some of it down, we know that, the question
18 is have they at least done something that
19 exempt the \$2 million that we spent.

20 I don't take any words on anybody,
21 that's the first thing you should learn.
22 Somebody comes up to you, you want to see
23 the books. If it looks good on paper and
24 you examined the project then go whole hog
25 on it, but for words forget it. My brother

1 people can't pay their heating bills. For
2 every dollar that is spent no matter what it
3 comes from you got to make sure it's spent
4 100 percent in the best way possible. To
5 sit their for rhetoric, forget it. I have
6 been around a long time, rhetoric don't mean
7 nothing. Anybody can use words and say
8 something. You got to use your head when
9 you go out and pull that lever, like you all
10 said to vote, you got to vote with your
11 head, not with your name or party. Unless
12 you do that we are going to sink into an
13 abyss deeper than the one we are in.

14 Now, I have been around here a long
15 time. Like I said before, Scranton was a
16 beautiful place. Your grandmother could
17 live and be safe, your mother could be safe,
18 it's the longer that, and who do we have to
19 blame? Our elected officials. And who do
20 you have to blame that put them elected
21 officials in there? The voters. The voters
22 in Scranton have not used their head for a
23 long, long time. I don't know why. It's
24 very funny. Even when you get into them
25 high taxes that are going to come, I don't

1 know if they would use their head there.

2 But, I'm sorry. I'm sorry that
3 people don't spend more time finding out
4 what's happening. I told you once before I
5 was always more afraid of Washington than I
6 am of Moscow because Washington can do more
7 damage than you than anywhere else. They
8 can -- look what they did to the garment
9 industry? That was Washington who damaged
10 us. When you go to the polls you look and
11 say who voted for that free trade agreement?
12 Who put all of these women out of work? No,
13 they got short memories. That's what's
14 wrong actually with the city. We got too
15 short of a memory. I wish we wake up one of
16 these days and see the light, probably not
17 in my lifetime, but I hope in somebody's.
18 Thank you.

19 MS. EVANS: Thank you.

20 MR. DOBRZYN: Good evening, Council.
21 Dave Dobrzyn.

22 MR. LOSCOMBE: Good evening.

23 MR. DOBRZYN: Resident of Scranton.
24 Okay, I'd like to compliment council and
25 their revisions of the capital improvement

1 list last week. I was glad to see we
2 weren't going to tear down a million dollars
3 worth of facilities and spend all the more,
4 and I was curious many months ago, a few
5 months ago we had a man in here preaching
6 bankruptcy and his name was Mr. Lewis, and I
7 was wondering if anybody knew whether he was
8 actually connected with the University
9 somehow? Just for personal information and
10 maybe somebody could disclose the website to
11 me sometimes.

12 Now, on the nonprofit business, once
13 again, I'd like to say how much township tax
14 exemption is too much. I'm sure you follow
15 the paper, now we have Geisinger moving into
16 our Mt. Pleasant Industrial Park there, they
17 are not going to pay any taxes either, so
18 there's nothing you can do about it right
19 now, but I really feel that once again we
20 need to start so many institutional areas
21 and say that is it and if somebody wants to
22 come in from the state and compensate us for
23 it, that's just great, but you can't go on
24 the way it is or we are going to wake up
25 some day and find 45 or 50 percent tax

1 exempt for the good of the whole region and
2 all we are going to get is funny caricatures
3 in the newspaper and, you know, they might
4 seem funny some people, but if I was the
5 subject of some of I might be a little
6 insulted. You know who I'm talking about,
7 right?

8 Okay, and also it's been pushed into
9 the newspaper about many of our homes are
10 \$500 or less for city support tax, well, I
11 don't want my home compared to Clarks Summit
12 and I don't want my home compared to a
13 cul-de-sac in Moscow, I want my home
14 compared to Olyphant, Dickson City,
15 Carbondale, Old Forge, Moosic, Taylor has a
16 landfill there and they negotiate it so if
17 we can hold that. We can't cite that as an
18 example, but that's the bottom line as how
19 many tax exempts are too much. What
20 percentage of the tax exempts are too much?

21 And as far as the tax increases, and
22 many times I don't mean to insult anybody
23 that relies on social security or whatever,
24 but two-thirds, and this is a fact I learned
25 in the last week, two-thirds of the people

1 that lost their employment since 2008 have
2 started back for 30 percent less, so just
3 imagine taking that kind of shot. Maybe
4 have a car where your boss walks out and
5 tells you it's your last day. I worked in a
6 plant like that, they walked out at 2:00 in
7 the afternoon and they said, "That's it.
8 Go."

9 So we went to the bar and drank our
10 sorrows away, but it wasn't fun for quite a
11 few years after that even though it was a
12 crummy job to begin with.

13 And on these fees, I also sat down
14 there and got a brain storm about
15 nonprofits. Now, if our tax collections are
16 supporting trash removal then why is it that
17 a nonprofit pays the same as everybody else
18 that might be paying a considerable property
19 tax. Some people do pay high taxes. I
20 really wouldn't want the tax bill from
21 Fawnwood, that might exceed my mortgage and
22 my taxes put together really if they were
23 close to 5,000, 6,000 dollars a year tax for
24 a more fashionable section of Scranton, and
25 I have a nice neighborhood. I don't get --

1 have any problems with any of my neighbors.
2 You know, if they don't like each other they
3 just leave each alone and if they are
4 sociable they are sociable. That's great.

5 And the golden parrot update, and
6 I'm going to make this fast, I might not be
7 able to stay the whole night I'm involved
8 with elections and working with the
9 elections, but 4,500 percent profit in
10 outsourcing in Delfi, formerly AC/Delco
11 Division. If they hadn't received the
12 bailout money and stuff and stuck the
13 government with the pension benefits they
14 actually turned a 4,500 percent profit and
15 they held the government hostage. So, you
16 know what, it always seem to amaze me is how
17 for years we fought communism and these
18 so-called capitalist job creators just get
19 along with communists and red China. Bawk,
20 bawk, bawk, have a good night. They get a
21 super bawk, bawk.

22 MS. EVANS: Thank you.

23 MR. JOYCE: Take care.

24 MS. SCHUMACHER: Good evening,
25 Council. Marie Schumacher.

1 MR. JOYCE: Good evening.

2 MR. LOSCOMBE: Good evening.

3 MS. SCHUMACHER: Back to my
4 follow-ups, Mr. McGoff, do you have the
5 answers to my two questions on the rental
6 registration?

7 MR. MCGOFF: I made the request, I'm
8 waiting for a response.

9 MS. SCHUMACHER: Okay. I guess next
10 then would be Mr. Rogan, do you know what is
11 going to be in -- what kind of data is going
12 to be specified in this loan report?

13 MR. ROGAN: I asked for a summary of
14 the loans so, you know, through the
15 conversations I have had by summary what I
16 mean and I think what council means we all
17 want to see a status of are they up-to-date?
18 Are they in default? If they are, by how
19 much for how long? Things of that nature.

20 MS. SCHUMACHER: Well, you know, I
21 think there should be more. It goes back --
22 and we have been waiting for this data, I
23 think I brought up the 408 Cedar Avenue on
24 the 16th of August and here we are in the
25 first of the November and we still don't

1 have the information on that. And then --

2 MR. ROGAN: I did send you -- did
3 you receive my e-mail today?

4 MS. SCHUMACHER: Yeah, thank you.

5 MR. ROGAN: I did send you a little
6 bit of information on that.

7 MS. SCHUMACHER: Yeah, but it's --

8 MR. ROGAN: There is much more.

9 MS. SCHUMACHER: Yes. It's
10 deficient and I think maybe you guys should
11 get your heads together before and make sure
12 that the information that you would like to
13 see is actually included in the report you
14 get next week, hopefully get next week.

15 Back in late June of '06 the Pizano
16 Partnership, I assume they are brothers,
17 Edmond and Chris, received a \$250,000, 0
18 interest, 30-year commercial industrial loan
19 and driving by there I noticed that most of
20 the properties are for sale, and so I'm
21 wondering since they are only six years into
22 a 30-year loan if those properties were
23 collateral for the repayment of the loan.

24 Now, I did notice that there -- they
25 purchased another lot in addition to the

1 ones that are for sale for \$365,000 and the
2 price they are asking now is \$1,045,000 so
3 whether or not they are going to pay off
4 that loan when they get -- sell the property
5 I would certainly like to know more about
6 that one. I'll come back because I may have
7 another one for you and skip to Mr. Joyce.

8 Were you able to ascertain why the
9 controller's report had \$1.9 million more at
10 the end of August than you said was
11 collected through mid-September on the --

12 MR. JOYCE: I haven't, and I also
13 put in a request to some of the other
14 questions that you had regarding the parking
15 tax receipts and the audit and I will be
16 speaking to Mr. McGowan tomorrow personally,
17 so I'm going to ask him personally for the
18 answers to those questions so hopefully I'll
19 have answers by next week and if I get them
20 tomorrow I will send you an e-mail with the
21 answers to your questions.

22 MS. SCHUMACHER: Okay. Thank you.
23 And do you know whether or not the provider
24 of the loan for the unfunded debt or
25 Amalgamated requested and/or received access

1 to the 2011 audit before they proceeded to
2 make loans to us or agree to make loans?

3 MR. JOYCE: Well, there is know, you
4 know, audit yet for 2011 so obviously there
5 is no way that they could have access to it.

6 MS. SCHUMACHER: Well, there is -- I
7 mean, I'm certain that it should be mostly
8 completed and are you going to read to us
9 from 3-D tonight and tell us what is still
10 outstanding and when those are expected in?

11 MR. JOYCE: Yes.

12 MS. SCHUMACHER: Good.

13 MS. EVANS: Mrs. Schumacher,
14 although, the audit has not been completed
15 I'm sure that Amalgamated and Janney
16 Montgomery Scott would have required
17 financial statements of the city and I
18 believe that Rossi & Sons provided that to
19 each before the agreements were made to
20 enter into the financial transactions with
21 the city.

22 MS. SCHUMACHER: Okay, thank you.
23 And maybe I would appreciate also maybe if,
24 Mrs. Evans, you could ask tonight for one of
25 the staff members, I don't know if whether

1 you are aware, but the phone system in this
2 building has been not functioning very well
3 for three to four weeks and I keep checking
4 with IT and they don't have any CD for when
5 the project will be completed. When you
6 call the fourth floor you don't get answers
7 and if you leave if you get a, "Would you
8 like to leave a message," I don't think they
9 are getting the messages either, but it's
10 really messed up up there because I have
11 been trying to find out, for instance, I do
12 have tomorrow off and I would have liked to
13 come in to review that University plan that
14 Solicitor Hughes talked about, but I can't
15 get in touch with Don King because he works
16 on the fourth floor. And I have also been
17 trying to contact him on whether or not
18 there is an institutional zone been
19 established for the Community Medical -- or
20 the Commonwealth Medical College, and as I
21 say, it's just not possible to get through.

22 And initially when the phone system
23 started acting up they said they thought,
24 you know, something was out of order and it
25 would be a lot faster, but with no estimate

1 I would like, and maybe if somebody who is
2 actually in the building could get the
3 answers to those two questions. And the
4 rest, once again, I will save until next
5 week. Thank you.

6 MS. KRAKE: Excuse me, Mrs. Evans,
7 but those people are under the direction of
8 the mayor and anyone that was calling our
9 office we were directing people to the mayor
10 and I do know that their office was taking
11 messages, what they do with them, I don't
12 know, but --

13 MS. EVANS: The mayor's office is
14 taking the messages.

15 MS. SCHUMACHER: Well, I did try
16 calling the mayor's office today, too, and
17 didn't get an answer so, I mean, that was --
18 I was going to try that and something else,
19 but okay, I'll do it. Thank you.

20 MR. LOSCOMBE: That was an issue. I
21 was going to bring that up, too, tonight
22 because, you know, I had spoken to a few of
23 the inspectors who weren't receiving their
24 messages. People are trying to call them
25 and it's the same problem, so we are going

1 to have to get this issue checked out
2 somehow.

3 MR. SLEDENZSKI: Hi, Janet.

4 MS. EVANS: Hi, Chris.

5 MR. LOSCOMBE: Chrissy.

6 MR. SLEDENZSKI: Hey, Jack, what
7 happened to 7 down there? Everything is
8 gone down there. (Unintranscribable.)

9 MR. LOSCOMBE: They were waiting for
10 you and you slept in too late.

11 MR. SLEDENZSKI: Well, Janet,
12 tomorrow is the last game, I want to the
13 wish Scranton good luck tomorrow. No,
14 Saturday they are playing Abingtons. West,
15 good luck and as Abington good luck
16 Saturday. Boys, good luck up there. Hope
17 they win. Thank you.

18 MS. EVANS: Thank you, Chris.

19 MR. MORGAN: Good evening, Council.

20 MR. JOYCE: Good evening.

21 MS. EVANS: Good evening.

22 MR. MORGAN: I think the mayor's
23 office is directing calls back up because
24 they had a problem with their server on
25 their telephone. The first thing I want to

1 say is, you know, I'm really disappointed
2 that council is all on board for this
3 project. I agree with a lot of what Andy
4 said tonight, but, you know, the greatest
5 thing that I think this council could do is
6 go take a walk around North Scranton Junior
7 High School and really take a look at the
8 other three sides of that building, and all
9 of the money that's been dumped in there
10 waiting for one phase to go after another,
11 you know, I have done -- I went to school
12 there as a child and I think the greatest
13 benefit we could give the city at this time
14 with that building is probably to tear it
15 down because it's been so neglected over so
16 many years and so many millions of dollars
17 have been pumped into and everyone is
18 waiting for one more dollar from the
19 government in one form or another.

20 You know, a council member said that
21 they were glad that something good was going
22 to happen for the neighborhood there, that
23 development is going to be a neighborhood
24 all in its own self. We don't even know, I
25 mean, from what I listened to them say I

1 don't know are their taxes abated for a
2 certain period of time on that project?

3 MS. EVANS: No.

4 MR. MORGAN: Because when you asked
5 that gentlemen about taxes he really didn't
6 give a very good direct answer, he started
7 talking about all of the money they were
8 going to spend.

9 MS. EVANS: At this time there is no
10 abatement for -- their taxes are paid
11 up-to-date. I think they were saying that
12 the situation involving the art space, for
13 example, that has to be looked into, but
14 again, you know, if they are living in
15 apartments within that, you know,
16 development I can't see why they would be
17 exempt as a nonprofit, they are individuals
18 living there.

19 MR. MORGAN: What I have read in the
20 newspaper it says that certain aspects of
21 that project are going to be I guess tax
22 exempt, and I have a real problem with that.

23 The other thing I have a problem
24 with is when the gentleman spoke he talked
25 about phases and we have phases going on at

1 North Scranton. I mean, they are not even
2 telling us if they are prepared to move onto
3 phase two. I mean, he spoke a lot, but he
4 didn't say much and, you know, the troubling
5 thing is that everybody seems to come to
6 Scranton with their hand out and when you
7 look at state of the city really we have
8 pumped money into downtown for too many
9 decades and we haven't pumped any money in
10 the neighborhoods and this is just another,
11 in my opinion, another one ever these
12 projects. Somebody came forward and saw a
13 chance to make big, big money and have other
14 people give the money for free and invest a
15 little bit of their own, so win-win.

16 I mean, why don't we go to every
17 house that's condemned in the City of
18 Scranton, find out who the owner is, let
19 them put up ten thousand, let the city put
20 up 60 or 100 and let's redo every condemned
21 home in the city and bring them all up to
22 code because all we are really doing in this
23 city is we are allowing people to move in to
24 industrial or commercial properties as
25 apartments, but what we are really doing is

1 we are taking any demand for apartments out
2 of the neighborhoods.

3 I think that the -- I think the
4 council needs to go out in the neighborhoods
5 and see how many apartments that we have
6 actually that are vacant and then try to ask
7 yourself one question, why are we taking the
8 heart of the downtown, because that's the
9 life blood of the city is to do business,
10 and when you don't do business in your
11 downtown I don't know what you are doing.
12 When you turn your downtown into rental
13 units, that's not a business center, that's
14 a residential center. And if you go and you
15 rezone the city from light industrial or
16 whatever it is to residential dwellings
17 where are we going to -- where are we going
18 to ever create employment centers in the
19 city? And are we going to shift all of the
20 zoning laws so that we can help every
21 developer who comes here with his hand out?
22 And then what do we tell all of the
23 residents in this city that -- I think some
24 people here spoke about them being very,
25 very, I don't know, they are just -- they

1 have no jobs, no money, they are overtaxed.

2 You know, the people in the
3 Abingtons are meeting today to try to fight
4 the commuter tax. I find that to be a
5 wonderful thing. I think the one question
6 we need to ask is why for 30 years there
7 were no investigations into what was
8 happening with the city's finances since
9 1970 if, in fact, we were troubled all the
10 way back then, and then we get people that
11 come here and we are just going to hand them
12 money and everybody on council is all for
13 the project, but you know what I say? Go
14 take a walk around North Scranton Junior
15 High School because, you know, when that
16 came through everybody talked about how
17 great it was going to be, it's not done yet.
18 There is a couple of new windows in the
19 front of the building, but there is not any
20 on the other side of the building. The
21 inside people broke in and stole all kinds
22 of stained glass out of there, the building
23 has been looted.

24 And when you talk with the former
25 Casey Hotel, my understanding the reason

1 they never redeveloped it wasn't because it
2 was vacant for so long, it was because it
3 was striped. I mean, we have got to do
4 things that are going to actually help the
5 neighborhoods and handing money away in this
6 project I think is ludicrous. Thank you.

7 MS. EVANS: Is there anyone else who
8 cares to address council?

9 MS. KRAKE: 5-A. MOTIONS.

10 MS. EVANS: Well, I just wanted --
11 I'm sorry.

12 MS. KRAKE: I'm sorry.

13 MS. EVANS: I just wanted to make
14 one clarification regarding Mr. Morgan's
15 comments, the city is not providing grant
16 money to Scranton Lace Affiliates or to the
17 former North Scranton Junior High School or
18 to any of the rental projects in the
19 downtown like the Connell building and the
20 Chamber of Commerce, these are all
21 Pennsylvania state grants, I believe through
22 the Department of Community and Economic
23 Development. So the city itself in terms of
24 the city's tax dollars they are not being
25 expended toward any of these projects nor

1 have they been. Mrs. Krake?

2 MS. KRAKE: 5-A. MOTIONS.

3 MS. EVANS: Councilman McGoff, do
4 you have any comments or motions tonight?

5 MR. MCGOFF: No. Actually, I'll
6 wait until the time of the legislation.

7 Thank you.

8 MS. EVANS: Councilman Rogan, do you
9 have any comments or motions tonight?

10 MR. ROGAN: Yes, thank you, a few
11 items. The first one is I'm very
12 disappointed by a letter that we received
13 from the county commissioners addressed to
14 Tax Collector Courtright. As Mrs. Evans
15 mentioned I believe it was a few months ago,
16 the city and Tax Collector Courtright asked
17 the county to agree with extending the
18 discount period to pay real estate taxes by
19 one month from February 28 to March 28. It
20 is my understanding that when the county
21 commissioners walloped the tax payers of
22 Lackawanna County with I believe was a 30
23 percent tax increase --

24 MS. EVANS: 38 percent.

25 MR. ROGAN: 38 percent tax increase

1 the city, the school district, everyone went
2 along with extending the discount period and
3 try to take some of the burden off the
4 taxpayers. As most of you know, I have
5 opposed most of the tax increases, but I do
6 agree that extending the discount period was
7 a way to at least soften the blow a little
8 bit, and the letter, and I'll read it out
9 loud. It says, "Dear Bill, the county
10 understands and appreciates that a real
11 estate tax increase can be a potential
12 hardship for taxpayers. That being said, we
13 do not feel that extending the first
14 discount period to March 28, 2013, is
15 affordable for the county at this time.

16 While the county annually seeks a
17 tax revenue anticipation note to provide
18 funding until we begin receiving real estate
19 tax receipts, extending the first discount
20 period has the potential to create a problem
21 with our cash flow. It is our hope the
22 taxpayers are able to take advantage of the
23 first discount period by it's scheduled end
24 date of February 28, 2013."

25 Not only do I disagree with the

1 county commissioners, and it wasn't just for
2 the record it wasn't signed by the county
3 commissioners, it was signed by the director
4 of administrative services, the chief
5 financial officer for the county, but I
6 would assume multiple decisions would be
7 made by our elected officials, not by
8 somebody under them.

9 When, again, as I said, when the
10 county was walloping everyone with a tax
11 increase the city helped out and did it
12 costs the city money? Yes, it did. But was
13 it the right thing to do? Yes, it was. It
14 was the right thing to do for the taxpayers.
15 Now when the shoe is on the other foot, and
16 it's not even completely on the other foot
17 because the county is continuing to raise
18 the taxes again, they are not willing to
19 help out the taxpayers of Scranton.

20 I'm very frustrated. I wasn't happy
21 when I read that letter. I was hoping they
22 would have extended the courtesy to the city
23 that the city extended to them. It's not
24 the right thing to do, hope that they will
25 reconsider the decision and I would urge the

1 residents of Scranton to contact the county
2 commissioners and ask them to reconsider
3 extending the discount period. That would
4 give taxpayers another month to get together
5 the funds to pay these taxes.

6 Now, for working people who have a
7 mortgage many times it's included with
8 your -- it's usually included with your
9 mortgage, so you are spending the same
10 amount every month, that may go up a little
11 month, but this is mainly for senior
12 citizens and those were lucky enough to pay
13 off their mortgage before they become senior
14 citizens, which are very few these days, who
15 have their home paid off so they don't have
16 their mortgage payment every month where
17 their taxes are, so these residents that
18 this would help are the people that have
19 their home paid off and at the beginning of
20 the year they have to scrape together that
21 money to pay their real estate taxes, and
22 it's very difficult to do especially with
23 the price of home heating oil, the price of
24 the gasoline, the price of the food,
25 everything has gone up. The economy is

1 terrible. And giving a month more time
2 would have helped a lot of people.

3 As I said, I hope the county
4 commissioners reconsider and I would urge
5 everyone to contact them.

6 MS. EVANS: Mr. Rogan, I might, I'm
7 going to be contacting Mr. Courtright
8 tomorrow about this issue, I'd like to know
9 what his decision is on it and if, indeed,
10 it's essential to have the agreement of the
11 county commissioners I'm hoping that
12 Mr. Courtright is going to be able to assist
13 the city and provide that extension that
14 council asked for.

15 MR. ROGAN: And that's great and,
16 you know, judging by -- I didn't see the
17 first letter that went out, but judging by
18 this one it seems that Mr. Courtright sent a
19 request in on council's behalf and from his
20 office asking for the discount. Like I
21 said, I hope there is something that can be
22 done, but it's very disappointing that the
23 county commissioners won't go along.

24 MS. EVANS: Oh, I agree.

25 MR. ROGAN: So hopefully the council

1 will ratchet up the pressure on the
2 commissioners and help them out because
3 Scranton is by far the biggest municipality
4 within Lackawanna County.

5 Next, moving on, as I spoke about a
6 little bit last week when council approved
7 the CDBG funding for the next year we
8 increased road paving in low to moderate
9 income areas by over 100 percent, and I had
10 a few people that contacted me, you know,
11 just in passing and run into people and
12 through e-mails and said, "Oh, there is a
13 lot of roads being paved in the community
14 this year as well."

15 And they said, "Oh, well, the mayor
16 must be paving them because next year is an
17 election year."

18 And a few -- two or three people
19 that mentioned this me I said, I told all of
20 them the same thing just so the public
21 knows, this funding for the paving was not
22 from the mayor, it was not from the city, it
23 was the money that this council, five people
24 on this council pushed for and had
25 reallocated for paving for low to moderate

1 income areas, and it's frustrating and
2 especially with, you know, in the media a
3 lot of times when things are going bad in
4 the city council gets all the blame but the
5 things that are going well the mayor gets
6 all of the credit.

7 So when it comes to the allocations
8 for the paving in the low to moderate income
9 areas, the mayor had absolutely nothing to
10 do with increasing those allocations,
11 believe me. And correct me if I'm wrong, I
12 think he may have even vetoed two years ago
13 our changes which included increased funding
14 for paving and it was council that asked the
15 Director of DPW to increase what they
16 applied for because if you only apply for
17 \$300,000 they can only give you \$300. Now
18 that they upped the applications and we are
19 able to get more and I know all of us, every
20 person made suggestions and the priority was
21 to pave roads. The roads in this city are
22 atrocious and, you know, we are making
23 progress slowly and surely on that and there
24 is much more work to be done and as I know
25 as long I have a say in things I'm going

1 keep fighting for that money to be used the
2 right way instead of squandered on projects
3 that we don't really need and --

4 Next, I do have a question about
5 items 5-B, C, D, E and F and I guess I'll
6 just bring this up now, it was my
7 understanding in the past that these items
8 were always passed after the budget, is
9 there a reason why this is being changed?

10 MR. JOYCE: Yeah, and actually I'll
11 elaborate more during motions, and I believe
12 Mrs. McGoff brought in up a few weeks ago
13 that we want to have certain taxes on the
14 agenda before the Court date for the
15 commuter tax so we could show to the Court
16 and demonstrate to them that we are, in
17 fact, increasing other taxes which is part
18 of the justification for the commuter tax in
19 itself.

20 MR. ROGAN: Will these items be
21 tabled for vote on the budget or will these
22 be passed before the budget?

23 MS. EVANS: I believe these would be
24 passed before the budget. They are all
25 contained in the revised recovery plan, so

1 they were set back in August and what we are
2 doing is precisely what Councilman Joyce
3 said, we are passing them earlier in order
4 to facilitate the city's position in Court
5 regarding the commuter tax, but, in
6 addition, we need everything in place so
7 that the beginning of 2013 the city is up
8 and ready to go and return to financial
9 sound footing.

10 MR. ROGAN: Okay, and that's why I
11 always thought they were always File of
12 Council No. 1 of 2000 --

13 MS. EVANS: Right, in the past,
14 that's how it has been conducted.

15 MR. ROGAN: And my only concern is
16 once these are passed that part of the
17 budget is set in stone. There is nothing
18 that can be amended or changed in/PH that
19 part of the budget.

20 MS. EVANS: Well, there is still
21 taxes though that are not --

22 MR. ROGAN: Yeah, I see the property
23 tax which is obviously one of the biggest
24 generators of revenue to the city, but there
25 wouldn't -- but these ones once they are

1 passed they wouldn't be set in stone and
2 placed in the budget.

3 MS. EVANS: Yes.

4 MR. ROGAN: And the final two items,
5 and I know, Mrs. Evans, you said you were
6 going to address this, but the Big House
7 Tobacco issue, anyone from them agree to
8 come in front of council?

9 MS. EVANS: Yes. Actually,
10 Mrs. Krake was in touch with the owner of
11 the establishment and, unfortunately, he has
12 been out of country, but he is very anxious
13 to attend public caucus and has agreed to do
14 so next Thursday, November 8, at 6:00, with
15 his attorney --

16 MR. ROGAN: Okay.

17 MS. EVANS: And they would be very
18 pleased to respond to any of our questions.

19 MR. ROGAN: Thank you. And finally,
20 I just want to respond, and I know
21 Mrs. Evans mentioned this as well regarding
22 some of the things Mr. Morgan said, you
23 know, I think we would love to be able to
24 use gaming money to rehab homes in the city.
25 I don't think there is any person up here

1 that would vote against that to be able to
2 do matching grants to homeowner to rehab
3 their homes, but that's not how the program
4 is setup. These gaming funds are, as
5 Mr. McGoff said and Attorney Jones, they are
6 highly competitive and used for large
7 projects that create a good amount of jobs
8 for the community.

9 You know, half a million dollars is
10 certainly a large sum of money, but of that
11 money none of it is a taxpayer money unless,
12 of course, like Mr. Sbaraglia you want to
13 the casino and you did lose, but it's -- and
14 I don't want to say it's an optional tax,
15 you don't have to go to the casino, so not
16 everybody is being forced to pay. It's, you
17 know, I think they used to call them sin
18 taxes, taxes on cigarettes, alcohol and
19 tobacco.

20 So I do think it is a good project.
21 I haven't been in the building physically,
22 but I did do a tour around the building and
23 I do think that if fully implemented it will
24 be a very nice project and it's going to
25 take time. As was mentioned, this building

1 is huge. Just taking the time to walk
2 around it, it's a city block. You know,
3 it's not like rehabbing a home. It's a
4 multi-year project and Mr. Morgan also
5 didn't seem happy about, you know, the
6 phases, but that's how these big projects
7 are done. You can't just take a city block
8 and say, "Well, we are just going to build a
9 building and let people move in."

10 There has to be a process and I know
11 many people may be frustrated with how
12 slowly it goes, but especially when you are
13 a dealing with a building that I would say
14 is probably 100 years old there are lots of
15 elements that need to be removed from that
16 building, lead paint, possibly asbestos,
17 things of that nature that have to be
18 removed to meet current safety standards.
19 I'm sure that takes up a lot of time and a
20 lot of money, and I don't see -- I
21 understand some have criticized that, "Well,
22 what if the project doesn't come to
23 fruition," it's in our best interests and
24 more importantly in the developer's interest
25 than us it's his money on the line. It's

1 not our money. You know, he wants to see it
2 and all of the partners they want to see it
3 completed and council does as well for the
4 fact that it will help revitalize the
5 neighborhoods, create jobs, restore a
6 beautiful building in the city, and it will
7 get the city moving in the right direction.

8 So hopefully everything will go
9 smoothy with this project and hopefully in a
10 few years some of us will be going down
11 there and taking a tour of a newly renovated
12 building.

13 And as mentioned before, next
14 Tuesday is election day and I hope everybody
15 goes out and votes. As Mrs. Evans
16 mentioned, you are not required to show your
17 ID this November, but you will be asked to
18 show your ID at the voting poll. Next May
19 for the municipal election the voter ID will
20 become law and at that point everyone will
21 be required to show photo ID at the polls,
22 so I hope to see everyone out on election
23 day, and that is all I have for now. Thank
24 you.

25 MS. EVANS: Thank you. And,

1 Councilman Loscombe, do you have comments or
2 motions?

3 MR. LOSCOMBE: Yes, just a couple of
4 things quickly. In regards to the phone
5 system, I don't know if we completed it, ut,
6 I'd like to make a request that we send a
7 letter to the property authority to get this
8 system corrected because I did have a few
9 questions today myself.

10 Just to touch on the Lace Works and
11 the Goodwill building, not to belabor the
12 point, but like Mr. Rogan said and I believe
13 all of us here, it's in everybody's best
14 interest for these projects and for the
15 neighborhoods. The money is not coming from
16 the city itself, but we have to stay on top
17 of them to make sure these projects come to
18 fruition and our completed.

19 I know that the Goodwill project has
20 languished for a long time, but I have seen
21 a lot of activity recently and I think the
22 final piece of the puzzle, it was in our
23 mail last week, was something from the
24 planning commission had to be approved
25 before they could go ahead with it, so I

1 think we will see some action on that very
2 shortly.

3 And as far as looking at the
4 development and looking at the plans, last
5 time we are here they gave us a significant
6 amounts of information, they provided us
7 with a layouts and what they plan on doing
8 with the building at that time, what they,
9 you know, the whole scheme of things and how
10 the phases are going. This is just another
11 piece of the puzzle tonight, but we are all
12 -- and I know I have gone by there and I
13 know Mr. Rogan has, we are all going to do
14 our diligence against and keep us with these
15 projects to see them going because, you
16 know, things like this in the neighborhoods
17 I believe are great and they, you know, they
18 are an offshoot to further development in
19 those areas and it's something we need
20 especially during these economic times.

21 And I think if my memory reserves me
22 correct I thought Mr. Morgan said he was in
23 favor of that project last time and said it
24 would provide an economic engine for that
25 area. I thought that was his opinion

1 previously on the Lace Works project, but I
2 may be mistaken.

3 And lastly, I just want to say we
4 are very fortunate this area dodged a bullet
5 with hurricane Sandy. I know, I mean, I'm
6 not saying we were free of any problems or
7 damage, but it was far less severe than was
8 anticipated and let's pray to God for all of
9 these areas around us that were devastated
10 and for the fatalities, but I do want to
11 commend all our city services for being
12 prepared and going that extra step to do
13 what they could do from our clerical workers
14 in city hall, who fielded many phone calls
15 and answered a lot of questions, to our
16 public works employees who had to deal with
17 downed trees and leaves blocking sewers and
18 stuff like that, to our police and
19 firefighters who were handling the same
20 situations. The police officers, numerous
21 burglar alarms, tree down calls, barricades,
22 firefighters with power lines down, tree
23 fires, trees down. Fortunately, there
24 wasn't a lot of flooding, but I do believe
25 that the departments were prepared.

1 I had a long conversation with Fire
2 Chief Davis on Monday to inquire and make
3 sure that the fire department was prepared
4 in the event of the impending problems they
5 were anticipating with the hurricane and
6 during our discussions we discussed the
7 manning and opening stations and stuff like
8 that, and my good friend Chrissy here
9 mentioned Engine 7 and Engine 9 being closed
10 yet and that was one of my questions.

11 After I had brought out the problems
12 two weeks ago and Channel 28 went and did an
13 actual videotaping of Engine 7 and Engine 9,
14 the city has done some repairs to the
15 buildings at this point and they have also
16 had professional cleaners go into Engine 7
17 and Engine 9. Now, I haven't seen the final
18 result at this point, but I was assured by
19 the chief that was done, however, they were
20 waiting -- the reason they didn't open the
21 stations at this point is they are waiting
22 for air quality tests for both buildings, so
23 I'm not sure what the hold up is on that, I
24 hope that wasn't the reason why we couldn't
25 open the stations for the hurricane, you

1 know, I mean, if there was -- if we had the
2 report and they sitting on it I'm going to
3 check tomorrow to just see what the status
4 on those buildings are, but I know that when
5 I spoke to the chief he was waiting for the
6 air quality reports before he let anybody go
7 back in.

8 And on top of all of the stuff here
9 I would like to commend our police
10 department, too, for that arrest they made
11 in the break-in where they took advantage of
12 the hurricane up the Staples and Best Buy, I
13 believe it is, but I just wanted to thank
14 all of our city employees for doing a good
15 job in our time of need and, fortunately, we
16 dodged a bullet. I think that's all I have
17 tonight. Thank you.

18 MS. EVANS: Thank you. Councilman
19 Joyce?

20 MR. JOYCE: Yes. Before I begin
21 speaking about agenda items tonight, I would
22 just like to send a special thank you to all
23 of the city workers for the efforts during
24 the hurricane or super Sandy, call it what
25 you will. I believe that a special thanks

1 is warranted for the city DPW workers who
2 continue to collect refuse during such a
3 furious storm and executed their other daily
4 duties throughout the city with the trees
5 being down.

6 Special thanks is also warranted to
7 the city fire and police departments for
8 protecting our city and keeping our city
9 safe throughout the storm. Also, a special
10 thank you is warranted to all management and
11 clerical employees who continued to work
12 through the storm and perform their daily
13 duties to serve the residents of Scranton.
14 For this, I would just like to say thank
15 you.

16 Secondly tonight, on tonight's
17 agenda there are a number of taxes and fees.
18 The legislation for these taxes and fees
19 which was sent down by the administration
20 represent Agenda Items 5-B through 5-F. The
21 legislation for the taxes and fees that was
22 sent down by the administration was sent
23 down earlier than in previous years.
24 Generally, legislation for all taxes and
25 fees are sent down by the administration in

1 January of the year for which they are being
2 levied, however, this year they are being
3 sent down by the administration early so the
4 city could prove to the Courts that the city
5 is, in fact, raising other taxes with the
6 hope of obtaining a commuter tax.

7 To provide a brief explanation, in
8 order to obtain a commuter tax, one of the
9 requirements under the Serafini bill is that
10 the city must demonstrate that it is raising
11 other taxes before a commuter tax can be
12 granted by the Courts. To remind, the
13 commuter tax is projected by the
14 Pennsylvania Economy League, PEL, to
15 generate \$2.5 million in revenue for
16 Scranton in 2013. The first piece of the
17 legislation sent down by the administration
18 is for the real estate transfer tax, which
19 is Item 5-B. In this piece of legislation,
20 it is the intent for the city to raise the
21 real estate transfer tax from 2.8 to 2.9
22 percent for the calendar year of 2013. The
23 increase in the real estate transfer tax is
24 a part of the revised recovery plan that was
25 drafted by the administration and city

1 council. The increase of this tax is
2 projected to generate an additional \$185,000
3 in revenue for the city on an annual basis
4 starting in 2013 if passed and \$555,000 in
5 revenue for the city over the course of the
6 three-year recovery plan.

7 The second piece of legislation sent
8 down by the administration is for the
9 mercantile, which is Item 5-C. The intent
10 of this legislation is to raise the
11 mercantile to one mill for calendar year
12 2013 from it's previous rate of .875 mills
13 in 2012. This is the same rate that the
14 mercantile tax was in 2010. The combination
15 of the increase in the business privilege
16 and mercantile is projected to generate
17 \$500,000 in additional revenue for the city
18 in 2013 and a total of \$1.5 million over the
19 course of the three-year recovery plan.

20 The third piece of legislation sent
21 down by the administration is for the
22 business privilege tax, which is Item 5-D.
23 In this piece of legislation, the intent is
24 for the city to raise the business privilege
25 tax to one mill for the calendar year of

1 2013 from it's previous rate of .875 mills
2 in 2012. This is the same rate that the
3 business privilege tax was in 2010, and as I
4 just stated, the combination of the increase
5 in the BP tax and the mercantile is
6 projected to generate \$500,000 in additional
7 revenue for the city in 2013 and the grand
8 total of \$1.5 million over the course of the
9 three-year recovery plan.

10 The fourth piece of legislation sent
11 down by the administration was for the waste
12 disposal fee, commonly referred to as the
13 garbage fee. The garbage fee and the
14 legislation that was sent down by the
15 administration was set at \$178 for the
16 calendar year of 2013. Originally in the
17 recovery plan that was sent down by the
18 administration back in May the
19 administration had intended to raise the
20 garbage fee to \$189 in 2013 and \$200 in
21 2014. This would have constituted increases
22 of 6.2 and 5.8 percent which compounded
23 would have lead to an overall garbage fee
24 increase of 12.4 percent. In the drafting
25 of the joint recovery plan, Councilwoman

1 Evans and I fought hard against this
2 increase and the end results in the joint
3 recovery plan was that it was decided not to
4 raise the garbage fee on city residents.

5 The fifth piece of legislation sent
6 down by the administration was for the local
7 services tax commonly, referred to as the
8 LST. This tax was formerly named the
9 emergency municipal services tax. To
10 inform, this is a \$52 per year tax that is
11 deducted from one's paycheck usually in \$2
12 per week increments. There will be no
13 increases in the LST as they are prohibited
14 by law.

15 And lastly tonight, as one may or
16 may not know the City of Scranton does not
17 have a completed audit for the year of 2011
18 as other matters have taken priority over
19 turning information over to Rossi & Rossi,
20 our independent auditor by the Business
21 Administrator's Office throughout the year.

22 We have received an update from
23 Rossi & Rossi regarding the audit.
24 According to Rossi & Rossi in their January
25 26 letter they had stated that in order to

1 issue the audit and financial statements by
2 May 31 of this year, the outline of the 2011
3 audit timetable must have been adhered to.
4 Because Rossi & Rossi has not received the
5 information on a timely basis, the
6 completion of the audit and financial
7 statements has been delayed.

8 As of October 24, the actuarial
9 calculations on the GASBE 45 post-employment
10 benefits had not been provided, which was
11 holding up the audit.

12 In addition, the Special Cities Fund
13 demolition memo was still open. Rossi &
14 Rossi had the understanding that this
15 information was to be completed by the end
16 of October. After this information is
17 received by Rossi & Rossi and the audit
18 testing is completed, Rossi & Rossi will
19 present a draft of the full financial
20 statements for the city to review and
21 complete the management discussion analysis
22 section of the report.

23 Mrs. Krake, given the following
24 information, please contact Mr. McGowan and
25 inquire whether or not information that was

1 scheduled to be submitted by Rossi & Rossi
2 at the end of the October was actually
3 submitted to them. And that's all I have
4 for tonight.

5 MS. EVANS: Thank you. Good
6 evening. I, too, wish to begin by
7 acknowledging the Scranton Departments of
8 Police, Fire, and Public Works as well as
9 all of the emergency medical and management
10 personnel who worked tirelessly throughout
11 the days before, during and after hurricane
12 Sandy to serve and protect the good people
13 of Scranton. It is during such devastating
14 and challenging times that the purpose of
15 government is best exercised and
16 appreciated. Without the men and women of
17 the police, fire and DPW Departments,
18 citizens could face the emergencies alone
19 and unprotected. These, among others, are
20 the services city government provides that
21 you have come to expect. Please join me in
22 thanking the hard working men and woman of
23 our community for a job well done.

24 On tonight's agenda in addition to
25 several pieces of legislation which set many

1 of the 2013 tax rates is legislation
2 submitted to city council by the city's
3 legal department to prohibit truck traffic
4 with certain exemptions off Lake Scranton
5 Road from Route 307 northeasterly to
6 Elmhurst Boulevard directing postage of
7 signage and prescribing penalties for
8 violations.

9 This legislation was drafted and
10 appears before Scranton City Council in
11 order to respond to the demonstrated
12 concerns of homeowners in the aforementioned
13 area related to increase truck traffic which
14 damages roads and negatively impacts the
15 safety and quality of life of residents.
16 Because homeowners have been so patient as
17 they awaited relief from city government, I
18 ask that council would suspend it's rules
19 next week to place the legislation into a
20 final reading for adoption and immediate
21 enforcement purposes.

22 In addition, city council continues
23 to work with the administration to amend the
24 rental registration program as soon as
25 possible to provide a partial credit into

1 2013 for owners of rental properties who
2 recently and voluntarily paid 2012 fees in
3 full without having been billed.

4 Also, the city solicitor is in the
5 process of drafting amusement tax
6 legislation in conjunction with the
7 Pennsylvania Economy League and council
8 solicitor. This legislation will be
9 introduced on council's agenda in the near
10 future.

11 At the same time council continues
12 its review of the city's noise ordinance to
13 prohibit boom cars from disturbing the
14 quality of life of city residents.

15 Next, I was informed that the
16 Berkheimer Office in the Steamtown Mall has
17 been closed all week. A note on the office
18 door indicates that they are closed due to
19 hurricane Sandy. Also, the Berkheimer
20 website is down. These circumstances may
21 create a potential problem since October 31
22 was the deadline for payment of third
23 quarter earned income taxes.

24 Mrs. Krake, please contact Ryan
25 McGowan in the morning and follow-up with

1 memos to the mayor and him. City council
2 urges Berkheimer to inform taxpayers of
3 their third quarter status and how to
4 proceed with payments as soon as possible.
5 The City of Scranton can ill afford to fall
6 behind in EIT revenues at this time and
7 taxpayers should not be penalized for
8 circumstances which are beyond their
9 control.

10 Finally, City Clerk, Mrs. Krake, was
11 in contact with the owner of Big House
12 Tobacco outlet following last week's council
13 meeting, because he is currently out of
14 town, Mr. Fadden was unable to attend the
15 public caucus this evening. However, he
16 indicated that he and Attorney O'Brien, his
17 counsel, are very anxious to attend a caucus
18 on Thursday November 8, at 6:00 p.m.

19 Therefore, council will consider
20 tabling this legislation during tonight's
21 meeting until such time as questions and
22 concerns will be addressed publically, and
23 that's it.

24 MR. MCGOFF: Mrs. Evans, may I just,
25 you brought up the rental registration, a

1 speaker last week brought up a concern with
2 the phrasing in the safety inspection where
3 it said, "But not limited to."

4 I received a couple of phone calls
5 also concerned with that. I would just like
6 to say that I did not perceive the negative
7 aspects of that when it was included. I
8 will speak with Attorney Kelly and see what
9 we can do to revise that because looking at
10 it now it does have a potential for harm
11 that was obviously unintended by us, but we
12 will look into it.

13 MS. EVANS: And then hopefully we
14 can amend everything at once.

15 MR. MCGOFF: Yes, and then amend it
16 for 2013.

17 MS. EVANS: Yes. Thank you.

18 MS. KRAKE: 5-B. AMENDING FILE OF
19 THE COUNCIL NO. 6, 1976 ENTITLED " AN
20 ORDINANCE (AS AMENDED) IMPOSING A TAX FOR
21 GENERAL REVENUE PURPOSES ON THE TRANSFER OF
22 REAL PROPERTY SITUATE WITHIN THE CITY OF
23 SCRANTON; PRESCRIBING AND REGULATING THE
24 METHOD OF EVIDENCING THE PAYMENT OF SUCH
25 TAX; CONFERRING POWERS AND IMPOSING DUTIES

1 UPON CERTAIN PERSONS, AND PROVIDING
2 PENALTIES", BY IMPOSING THE RATE OF THE
3 REALTY TRANSFER TAX AT TWO AND NINE TENTHS
4 PERCENT (2.9%) FOR CALENDAR YEAR 2013.

5 MS. EVANS: At this time I'll
6 entertain a motion that Item 5-B be
7 introduced into its proper committee.

8 MR. MCGOFF: So moved.

9 MR. JOYCE: Second.

10 MS. EVANS: On the question?

11 MR. ROGAN: Yes, on the question, I
12 understand the reasoning why the
13 administration and many on council want to
14 have this in front of the Courts for the
15 commuter tax legislation, but just by
16 looking at the dates, if the mayor presents
17 the budget on November 15, which is
18 required, and the first reading of the
19 budget was on the 22nd and then the second
20 was on the 29th when that would be the first
21 week of December and the budget would be
22 complete.

23 You know, I know these were
24 contained in the recovery plan, but any
25 alterations that wanted to be made we

1 moved.

2 MS. KRAKE: 5-C. AMENDING FILE OF
3 THE COUNCIL NO. 7, 1976, ENTITLED "AN
4 ORDINANCE (AS AMENDED) IMPOSING A MERCANTILE
5 LICENSE TAX OF TWO MILLS FOR THE YEAR 1976
6 AND ANNUALLY THEREAFTER UPON PERSONS
7 ENGAGING IN CERTAIN OCCUPATIONS AND
8 BUSINESSES THEREIN; PROVIDING FOR ITS LEVY
9 AND COLLECTION AND FOR THE ISSUANCE OF
10 MERCANTILE LICENSES; CONFERRING AND IMPOSING
11 POWERS AND DUTIES UPON THE TAX COLLECTOR
12 OF THE CITY OF SCRANTON; AND IMPOSING
13 PENALTIES", BY IMPOSING THE MERCANTILE
14 LICENSE TAX AT ONE (1) MILL (.001) FOR
15 CALENDAR YEAR 2013.

16 MS. EVANS: At this time I'll
17 entertain a motion that Item 5-C be
18 introduced into its proper committee.

19 MR. MCGOFF: So moved.

20 MR. JOYCE: Second.

21 MS. EVANS: On the question? All
22 those in favor of introduction signify by
23 saying aye.

24 MR. MCGOFF: Aye.

25 MR. LOSCOMBE: Aye.

1 MR. JOYCE: Aye.

2 MS. EVANS: Aye. Opposed?

3 MR. ROGAN: No.

4 MS. EVANS: The ayes have it and so
5 moved.

6 MS. KRAKE: 5-D. AMENDING FILE OF
7 THE COUNCIL NO. 8, 1976, ENTITLED "AN
8 ORDINANCE (AS AMENDED) PROVIDING FOR THE
9 GENERAL REVENUE BY IMPOSING A TAX AT THE
10 RATE OF TWO (2) MILLS UPON THE PRIVILEGE OF
11 OPERATING OR CONDUCTING BUSINESS IN THE CITY
12 OF SCRANTON AS MEASURED BY THE GROSS
13 RECEIPTS THEREFROM; REQUIRING REGISTRATION
14 AND PAYMENT OF THE TAX AS CONDITION TO
15 THE CONDUCTING OF SUCH BUSINESS; PROVIDING
16 FOR THE LEVY AND COLLECTION OF SUCH TAX;
17 PRESCRIBING SUCH REQUIREMENTS FOR RETURNS
18 AND RECORDS; CONFERRING POWERS AND DUTIES
19 UPON THE TAX COLLECTOR; AND IMPOSING
20 PENALTIES", BY IMPOSING THE BUSINESS
21 PRIVILEGE TAX AT THE RATE OF ONE (1)
22 MILL(.001) FOR CALENDAR YEAR 2013.

23 MS. EVANS: At this time I'll
24 entertain a motion that Item 5-D be
25 introduced into its proper committee.

1 MR. MCGOFF: So moved.

2 MR. JOYCE: Second.

3 MS. EVANS: On the question? All
4 those in favor of introduction signify by
5 saying aye.

6 MR. MCGOFF: Aye.

7 MR. LOSCOMBE: Aye.

8 MR. JOYCE: Aye.

9 MS. EVANS: Aye. Opposed?

10 MR. ROGAN: No.

11 MS. EVANS: The ayes have it and so
12 moved.

13 MS. KRAKE: 5-E. AMENDING FILE OF
14 THE COUNCIL NO. 17, 1994 ENTITLED "AN
15 ORDINANCE (AS AMENDED) AUTHORIZING THE
16 GOVERNING BODY OF THE CITY OF SCRANTON TO
17 ENACT 'A WASTE DISPOSAL AND COLLECTION FEE'
18 FOR THE PURPOSE OF RAISING REVENUE TO COVER
19 THE WASTE DISPOSAL AND COLLECTION COSTS
20 INCURRED BY THE CITY OF SCRANTON FOR THE
21 DISPOSAL OF REFUSE", BY IMPOSING A WASTE
22 DISPOSAL AND COLLECTION FEE OF \$178.00 FOR
23 CALENDAR YEAR 2013.

24 MS. EVANS: At this time I'll
25 entertain a motion that Item 5-E be

1 introduced into its proper committee.

2 MR. JOYCE: So moved.

3 MR. MCGOFF: Second.

4 MS. EVANS: On the question? All
5 those in favor of introduction signify by
6 saying aye.

7 MR. MCGOFF: Aye.

8 MR. LOSCOMBE: Aye.

9 MR. JOYCE: Aye.

10 MS. EVANS: Aye. Opposed?

11 MR. ROGAN: No.

12 MS. EVANS: The ayes have it and so
13 moved.

14 MS. KRAKE: 5-F. AMENDING FILE OF
15 THE COUNCIL NO. 145 OF 2007 ENTITLED "AN
16 ORDINANCE RENAMING THE EMERGENCY AND
17 MUNICIPAL SERVICES TAX ("EMST") TO LOCAL
18 SERVICE TAX ("LST") AND BY IMPOSING A
19 WITHHOLDING OF \$52.00 FOR THE CALENDAR YEAR
20 2013.

21 MS. EVANS: At this time I'll
22 entertain a motion that Item 5-F be
23 introduced into its proper committee.

24 MR. JOYCE: So moved.

25 MR. MCGOFF: Second.

1 MS. EVANS: On the question? All
2 those in favor of introduction signify by
3 saying aye.

4 MR. MCGOFF: Aye.

5 MR. ROGAN: Aye.

6 MR. LOSCOMBE: Aye.

7 MR. JOYCE: Aye.

8 MS. EVANS: Aye. Opposed? The ayes
9 have it and so moved.

10 MS. KRAKE: 5-G. TO PROHIBIT TRUCK
11 TRAFFIC WITH CERTAIN EXEMPTIONS OFF LAKE
12 SCRANTON ROAD FROM ROUTE 307 NORTHEASTERLY
13 TO ELMHURST BOULEVARD IN THE CITY OF
14 SCRANTON, DIRECTING POSTAGE OF SIGNAGE, AND
15 PRESCRIBING PENALTIES FOR VIOLATION THEREOF.

16 MS. EVANS: At this time I'll
17 entertain a motion that Item 5-G be
18 introduced into its proper committee.

19 MR. ROGAN: So moved.

20 MR. JOYCE: Second.

21 MS. EVANS: On the question?

22 MR. MCGOFF: Yes, just one question.
23 As I was looking at there are exemptions, as
24 I looked at the exemptions would this
25 prohibit -- I guess there is lot of

1 development taking place in this section of
2 East Mountain and actually up into Roaring
3 Brook Township and all and the primary
4 access for any of that construction-type
5 traffic is across Lake Scranton Road. Now,
6 as I have said before, I realize that it was
7 excessive and all, I'm wondering if this
8 legislation would prevent reasonable
9 construction traffic from utilizing that
10 access?

11 MS. EVANS: Well, I think probably
12 your best bet would be to speak to Attorney
13 Kelly regarding that.

14 MR. MCGOFF: It was -- it's just a
15 concern. As I said, there aren't many ways
16 to access that section of the mountain and
17 while I do agree with the legislation, I
18 would hate to see that further development
19 be hindered and deterred because of it.

20 MS. EVANS: Is there anyone else on
21 the question? All those in favor of
22 introduction signify by saying aye.

23 MR. MCGOFF: Aye.

24 MR. ROGAN: Aye.

25 MR. LOSCOMBE: Aye.

1 MR. JOYCE: Aye.

2 MS. EVANS: Aye. Opposed? The ayes
3 have it and so moved.

4 MS. KRAKE: SIXTH ORDER. NO
5 BUSINESS AT THIS TIME.

6 SEVENTH ORDER. 7-A. FOR
7 CONSIDERATION BY THE COMMITTEE ON RULES -
8 FOR ADOPTION - FILE OF COUNCIL NO. 64, 2012
9 - APPROVING THE TRANSFER OF A RESTAURANT
10 LIQUOR LICENSE CURRENTLY OWNED BY CALANNI'S
11 INC. T/A LITTLE NIKKI'S PASTA HOUSE, 77
12 FALLBROOK STREET, CARBONDALE, PA 18407,
13 LICENSE NO. R-14028 TO PASS RUSH LLC FOR USE
14 AT BIG HOUSE TOBACCO OUTLET LOCATED AT 200
15 GREEN RIDGE STREET, SCRANTON, PA 18509 AS
16 REQUIRED BY THE PENNSYLVANIA LIQUOR CONTROL
17 BOARD.

18 MR. JOYCE: I would like to make a
19 motion to table Item 7-A.

20 MR. LOSCOMBE: Second.

21 MS. EVANS: On the question?

22 MR. MCGOFF: Yes. I think at last
23 week's meeting we talked about this and I am
24 prepared to vote "no" on this legislation
25 for any number of reasons and I guess

1 tabling it and putting it off for another
2 week it may do some good, but I don't know,
3 but I guess I'm opposed to tabling it as
4 well.

5 MR. ROGAN: I would say that for the
6 most part I concur with Mr. McGoff. I will
7 vote to table it only because it's another
8 roadblock in the legislation being passed.
9 I strongly oppose this legislation based on
10 what I heard from residents in the neighbor
11 hood and, as I said last week, it would take
12 a lot to change my opinion and going against
13 the neighbors down there, but, you know,
14 tabling it is better than passing it, so
15 I'll vote to table it.

16 MS. EVANS: And I will vote to table
17 because I do believe that the owner should
18 be given the opportunity to make a
19 presentation as has been the case in other
20 similar situations and to respond to
21 council's questions and concerns before it
22 casts the final vote.

23 MR. ROGAN: Mrs. Evans, I would just
24 add that the owner did have an opportunity
25 to come last week with the caucus and he

1 didn't show up.

2 MS. EVANS: Last week's caucus?

3 MR. MCGOFF: The public hearing.

4 MR. ROGAN: The public hearing.

5 MR. JOYCE: The public hearing.

6 MS. EVANS: But he was not invited

7 to a public caucus.

8 MR. ROGAN: That's fine.

9 MS. EVANS: Is there anyone else on
10 the question? All those in favor of tabling
11 Item 7-A signify by saying aye.

12 MR. ROGAN: Aye.

13 MR. LOSCOMBE: Aye.

14 MR. JOYCE: Aye.

15 MS. EVANS: Aye. Opposed?

16 MR. MCGOFF: No.

17 MS. EVANS: The ayes have it and so
18 moved.

19 MS. KRAKE: 7-B. FOR CONSIDERATION
20 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT -
21 FOR ADOPTION -RESOLUTION NO. 46, 2012
22 - AUTHORIZING THE MAYOR AND OTHER
23 APPROPRIATE CITY OFFICIALS TO EXECUTE AND
24 APPLY FOR A GRANT APPLICATION BY THE CITY OF
25 SCRANTON, ON BEHALF OF LACE BUILDING

1 AFFILIATES, LP (LBA), TO THE PENNSYLVANIA
2 DEPARTMENT OF COMMUNITY AND ECONOMIC
3 DEVELOPMENT FOR A LOCAL SHARE ACCOUNT GRANT,
4 PURSUANT TO THE PA RACE HORSE DEVELOPMENT
5 AND GAMING ACT, FOR A REAL ESTATE
6 DEVELOPMENT PROJECT LOCATED AT 1315 MEYLERT
7 AVENUE, SCRANTON, PA, TO EXECUTE AND ENTER
8 INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT IF
9 APPROVED WITH THE COMMONWEALTH OF
10 PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT
11 IN THE AMOUNT OF \$555,000.00 IF AWARDED BY
12 THE COMMONWEALTH OF PENNSYLVANIA FOR THE
13 PROJECT TO BE KNOWN AS "SCRANTON LACE
14 REDEVELOPMENT PROJECT".

15 MS. EVANS: What is the
16 recommendation of the Chair for the
17 Committee on Community Development?

18 MR. ROGAN: As Chairperson for the
19 Committee on Community Development, I
20 strongly recommend final passage of Item
21 7-B.

22 MR. JOYCE: Second.

23 MS. EVANS: On the question?

24 MR. MCGOFF: Yes, just a few brief
25 comments. First of all, this is legislation

1 not for us to grant the Lace Works money, it
2 is merely legislation to allow them and the
3 city to apply for the grant and there is no
4 guarantee that they receive the grant, but I
5 think the consent of the council, and I'm
6 hoping the unanimous consent of council,
7 would probably go a long way in their
8 application process that we are strongly
9 behind this project.

10 And also to answer some concerns, we
11 have all -- I think we have all been to the
12 Lace Works numerous times and we have been
13 at the last caucus that we had with the Lace
14 Works Affiliates were provided with detailed
15 plans for the project. I think we are all
16 reasonably familiar with the project and
17 what will occur and from what I can see it
18 is something that is well worth our support,
19 the entire project, and certainly this grant
20 application is a step toward the completion
21 of that project.

22 MR. ROGAN: And one thing that
23 wasn't mentioned that is something that the
24 police have been dealing with for a long
25 period of time now is people breaking into

1 the Lace Works and trying to steal copper
2 wire and copper piping, people possibly
3 living in there, you know, squatters, so
4 when the project moves forward it eliminates
5 that element of blight from the lower
6 Greenridge neighborhood which is something
7 that you can't put a price on and we are
8 hopeful, as Mr. McGoff and many others have
9 said, that if they do receive a grant that
10 the project is completed.

11 MS. EVANS: Is there anyone else?
12 Roll call, please?

13 MS. MARCIANO: Mr. McGoff.

14 MR. MCGOFF: Yes.

15 MS. MARCIANO: Mr. Rogan.

16 MR. ROGAN: Yes.

17 MS. MARCIANO: Mr. Loscombe.

18 MR. LOSCOMBE: Yes.

19 MS. MARCIANO: Mr. Joyce.

20 MR. JOYCE: Yes.

21 MS. MARCIANO: Mrs. Evans.

22 MS. EVANS: Yes. I hereby declare
23 Item 7-B legally and lawfully adopted.

24 If there is no further business,
25 I'll entertain a motion to adjourn.

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MR. JOYCE: Motion to adjourn.

MS. EVANS: This meeting is
adjourned.

C E R T I F I C A T E

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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