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1 SCRANTON CITY COUNCIL
 2 PUBLIC HEARING
 3
 4 IN RE: FILE OF THE COUNCIL NO. 27, 2018 - AUTHORIZING
 5 THE MAYOR AND OTHER APPROPRIATE OFFICIALS OF THE CITY
 6 OF SCRANTON TO TAKE ALL NECESSARY ACTIONS TO IMPLEMENT
 7 THE CONSOLIDATED SUBMISSION FOR COMMUNITY PLANNING AND
 8 DEVELOPMENT PROGRAMS TO BE FUNDED UNDER THE COMMUNITY
 9 DEVELOPMENT BLOCK GRANT (CDBG)PROGRAM, HOME INVESTMENT
 10 PARTNERSHIP (HOME) PROGRAM AND EMERGENCY SOLUTIONS
 11 GRANTS (ESG) PROGRAM FOR THE PERIOD BEGINNING JANUARY
 12 1, 2018.

15 HELD:

17 Monday, September 17, 2018

19 LOCATION:

20 Council Chambers

21 Scranton City Hall

22 340 North Washington Avenue

23 Scranton, Pennsylvania

25 CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER

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MR. PERRY: Roll call, please.
 MS. CARRERA: Mr. Perry.
 MR. PERRY: Here.
 MS. CARRERA: Mr. Donahue.
 MR. DONAHUE: Here.
 MS. CARRERA: Mr. Evans.
 MR. EVANS: Here.
 MS. CARRERA: Mr. Gaughan.
 MR. GAUGHAN: Here.
 MS. CARRERA: Mr. Rogan. (Not present.)

MS. REED: The purpose of said public hearing is to hear testimony and discuss the following:

FILE OF THE COUNCIL NO. 27, 2018 - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE OFFICIALS OF THE CITY OF SCRANTON TO TAKE ALL NECESSARY ACTIONS TO IMPLEMENT THE CONSOLIDATED SUBMISSION FOR COMMUNITY PLANNING AND DEVELOPMENT PROGRAMS TO BE FUNDED UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)PROGRAM, HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM AND EMERGENCY SOLUTIONS GRANTS (ESG) PROGRAM FOR THE PERIOD BEGINNING JANUARY 1, 2018.

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 2 CITY OF SCRANTON COUNCIL:
 3 PATRICK ROGAN, PRESIDENT
 4 (Not present)
 5 TIM PERRY, VICE-PRESIDENT
 6 WAYNE EVANS
 7 WILLIAM GAUGHAN
 8 KYLE DONAHUE
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 11 LORI REED, CITY CLERK
 12 KATHY CARRERA, ASSISTANT CITY CLERK
 13 AMIL MINORA, SOLICITOR
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MR. PERRY: We have with us this evening is director of OECD, Linda Aebli, and the solicitor, Sean Gallagher. I would like to thank both of you guys for coming in tonight and if you would like to start off, Ms. Aebli.

MS. AEBLI: Okay. First of all, I'd like to update everyone on the 2018 action plan. We just received our funding and I'm happy to report that we received \$245,835,000 more of CDBG funding that we didn't expect. Our HOME we received an additional \$162,090, and I was very surprised at that because over the years it's been going down, and the Emergency Solution Grant was reduced by \$1,654. Currently my staff is putting together contracts to start spending the money, okay?

So moving on to 2019, of course these are approximate amounts, has everybody reviewed all of the activities I submitted and do you have any questions for me? I think I explained why we funded some things and why we didn't fund some things.

MR. GAUGHAN: I just have one

1 question.

2 MS. AEBLI: Okay.

3 MR. GAUGHAN: The sidewalk and
4 street scape improvements that you are
5 funding for \$300,000, have you identified
6 where those areas are?

7 MS. AEBLI: We don't know yet, but
8 they have to be in low to moderate income
9 areas.

10 MR. EVANS: Linda, how does that
11 work though? Is that something that --

12 MS. AEBLI: We just started funding
13 that last year. We felt like some of the
14 neighborhoods needed sidewalks so we are
15 sort of driving around looking where to
16 begin. So right now we don't have any
17 specific site in mind.

18 MR. EVANS: Okay. Now is that
19 something we would encourage homeowners to
20 contact your office about or is that
21 something that --

22 MS. AEBLI: No, we would like to do
23 it by blocks.

24 MR. EVANS: All right, so you are
25 looking for specific blocks.

1 MS. AEBLI: We are going to decide
2 where they go.

3 MR. EVANS: All right. We always
4 get that request, by the way. I'm not sure
5 if it's that's doable.

6 MS. AEBLI: Now, when we do housing
7 rehab under the HOME program that's an
8 eligible activity that we do sidewalks when
9 we rehab a house.

10 MR. EVANS: All right.

11 MS. AEBLI: So that's good to know.

12 MR. EVANS: That's good to know.

13 MR. GAUGHAN: With the demolition
14 and disposal of blighted and condemned
15 properties throughout the City of Scranton
16 they put in for \$600,000 and you're funding
17 them for \$75,000. I don't know if you have
18 this information on hand, but in the last
19 four or five years do you know roughly how
20 many houses have been demolished.

21 MS. AEBLI: No, but I have the list
22 in the office I could send everyone.

23 MR. GAUGHAN: Okay, that would be
24 great.

25 MS. AEBLI: I have it back 15 years.

1 MR. GAUGHAN: How does that process
2 work when it's funded through OECD?

3 MS. AEBLI: That all comes from
4 Licensing and Permits. Licensing and
5 Permits when they are -- when a home is
6 ready to be demolished they send us a list.
7 They do it -- OECD does a title search then
8 we contact every person that has interest in
9 the property, then we hire a environmental
10 asbestos to go in and check out the asbestos
11 in each home so we could tell the
12 contractors where the asbestos is in the
13 home and we get our addresses from Licensing
14 and Permits.

15 MR. EVANS: Now, is that -- the
16 reduction is based on -- is that based on
17 there are unused funds maybe in that account
18 now or --

19 MS. AEBLI: Yes, there is.

20 MR. EVANS: That's what I thought so
21 there is money there --

22 MS. AEBLI: I'm currently doing
23 title searches on four properties. It
24 started to out to be ten, but then we
25 contact the property owners legally we can't

1 touch them for one reason or another. We
2 can't touch the property.

3 MR. EVANS: There is no restriction
4 as far as location is concerned with that,
5 is there?

6 MS. AEBLI: Nope.

7 MR. EVANS: So it doesn't matter if
8 it's not in low to mod? All right.

9 MS. AEBLI: No.

10 MR. GAUGHAN: Do you know how much
11 funding is left in that pot?

12 MS. AEBLI: No, but I could find
13 out.

14 MR. GAUGHAN: Okay. The other one I
15 want to ask about is the Weston field
16 outside pool area improvements, they put in
17 for 161 and then it's down to 50 and I know
18 that we got some kind of correspondence
19 about moving money, can you just explain
20 that?

21 MS. AEBLI: Correct. When I met
22 with the solicitor, Jessica, she said they
23 have money in the Weston field foundation so
24 that's why we reduced it.

25 MR. GAUGHAN: Oh, so they have the

1 balance in the fund.
 2 MS. AEBLI: Yes. That's eligible to
 3 be used.
 4 MR. PERRY: Do we have any other
 5 questions for Ms. Aebli?
 6 MS. AEBLI: I'd like to add one
 7 thing, I'm happy to report that our Scranton
 8 Hilton Section Loan 108 is being paid off
 9 probably this month or next month from the
 10 2018 funding so we don't have to -- we'll
 11 have like approximately \$250,000 more every
 12 year to allocate to activities.
 13 MR. PERRY: That's certainly good
 14 news to get that off the books.
 15 MR. GAUGHAN: I have one more
 16 question, the Homebuyer Program, can you
 17 just give us an update on the success of
 18 that program? Like, the city is putting in
 19 for \$100,000, can you go through that money
 20 in one year?
 21 MS. AEBLI: Yes. For some reason we
 22 were dwindling like maybe five homes a year
 23 and all of a sudden it's taking off maybe
 24 because the housing is -- you know, the
 25 price of the house, but the home has to be

1 up to code when it is purchased.
 2 MR. EVANS: So you have used up some
 3 of your reserves on that then?
 4 MS. AEBLI: Yes.
 5 MR. EVANS: Because I know last year
 6 you had some reserves that's why you didn't
 7 put in for as much money.
 8 MS. AEBLI: Correct.
 9 MR. EVANS: And the housing rehab
 10 that's what you were talking about before
 11 that's funded at \$75,000?
 12 MS. AEBLI: I'm sorry, what?
 13 MR. EVANS: The housing rehab is
 14 funded at \$75,000, that's what you mentioned
 15 that sidewalks are ineligible?
 16 MS. AEBLI: Correct.
 17 MR. EVANS: How do homeowners
 18 qualify for that, is that income based or --
 19 MS. AEBLI: Income and their taxes
 20 have to be paid up, their utilities and
 21 their garbage.
 22 MR. EVANS: Is that an outright
 23 grant or is it --
 24 MS. AEBLI: It's a deferred payment
 25 basically -- usually it's a ten to 15 year

1 lien and it depreciates say 10 percent every
 2 year. So it's a grant after ten years.
 3 MR. EVANS: Then it just goes away.
 4 MS. AEBLI: Correct. If they sell
 5 the house within that period they pay us
 6 back a pro ratio.
 7 MR. EVANS: Okay.
 8 MR. PERRY: There is no names on the
 9 sign-in sheet, but I want to give time for
 10 public participation, is there anybody who
 11 would like to address council on this
 12 matter? No speakers?
 13 Councilmen, do we have any other
 14 questions?
 15 If there is no further questions,
 16 Ms. Aebli, do we have anything else to add
 17 before we conclude?
 18 MS. AEBLI: Yeah, hold on one for
 19 one second.
 20 MR. PERRY: Take your time. We're
 21 in no rush. Take your time.
 22 MS. AEBLI: Oh, the reason I did not
 23 fund the rental rehab program, we funded it
 24 '18, '17, and I believe '16 and to date I
 25 cannot find one property owner to use the

1 rehab money. I have it up in Licensing and
 2 Permits, I have it online, you know, the
 3 rental rehab application so what I'm
 4 planning on doing is contacting all of the
 5 inspectors in LIPS because they are the ones
 6 that go out on the street, they are ones
 7 that deal with the people face-to-face so
 8 that's why I did not fund it this year until
 9 it goes off.
 10 MR. EVANS: Do you know what the
 11 reason is? Are they getting --
 12 MS. AEBLI: I have no idea.
 13 MR. EVANS: Yeah, I'm just curious
 14 what the feedback is.
 15 MS. AEBLI: There is rent controls
 16 and they have to rent to -- the tenants have
 17 to be 60 percent of the medium income, which
 18 isn't really that low.
 19 MR. EVANS: On the rental rehab is
 20 it the same situation where it's a grant --
 21 is it a matching grant or just a --
 22 MS. AEBLI: It's a matching grant.
 23 We will match up to four units.
 24 MR. EVANS: Right.
 25 MS. AEBLI: We'll match \$10,000 per

1 unit.

2 MR. EVANS: Per unit.

3 MS. AEBLI: They have to do lead
4 base testing and we provide another \$2,500
5 that they would not have to match.

6 MR. EVANS: So if they do lead base
7 paint testing and it comes back and there is
8 lead there do they have to hire
9 professionals to abate the lead?

10 MS. AEBLI: Yes, that's a federal --
11 yeah.

12 MR. EVANS: Does that come out of
13 the grant money then?

14 MS. AEBLI: That would come out of
15 the \$2,500.

16 MR. EVANS: All right. Oh, out of
17 the \$2,500, okay.

18 MR. PERRY: Anything else? If there
19 is no speakers and councilmen have no
20 further questions then public hearing
21 adjourned.

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C E R T I F I C A T E

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
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