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SCRANTON CITY COUNCIL MEETING

HELD:

Tuesday, February 10, 2009

LOCATION:

Council Chambers

Scranton City Hall

340 North Washington Avenue

Scranton, Pennsylvania

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CITY OF SCRANTON COUNCIL:

MR. ROBERT MCGOFF, PRESIDENT

MS. JUDY GATELLI, VICE-PRESIDENT

MS. JANET E. EVANS

MS. SHERRY FANUCCI

MR. WILLIAM COURTRIGHT

MS. KAY GARVEY, CITY CLERK

MR. NEIL COOLICAN, ASSISTANT CITY CLERK

MR. AMIL MINORA, SOLICITOR

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

3 MR. MCGOFF: Roll call, please?

4 MR. COOLICAN: Mrs. Evans.

5 MS. EVANS: Here.

6 MR. COOLICAN: Mrs. Gatelli.

7 MS. GATELLI: Here.

8 MR. COOLICAN: Ms. Fanucci.

9 MS. FANUCCI: Here.

10 MR. COOLICAN: Mr. Courtright.

11 MR. COURTRIGHT: Here.

12 MR. COOLICAN: Mr. McGoff.

13 MR. MCGOFF: Here. Dispense with
14 the reading of the minutes. Prior to
15 getting to the agenda -- excuse me. Prior
16 to the agenda it was requested that some
17 people come to speak on one of the issues or
18 one the items on the agenda, and with us
19 tonight is Mr. Al Boscov, Mr. Larry Siegle,
20 and Mr. Kevin Mitchell from OECD who would
21 like to speak, and so we are affording them
22 the opportunity at this time to present and
23 also to answer questions that council may
24 have.

25 MR. BOSCOV: It think I'm first.

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MR. MCGOFF: What's that?

MR. BOSCOV: They're scared. I think I'm first. Well, I want to thank you for being here tonight at a special meeting and I appreciate it. What happened, a little history is that Boscov's has always been profitable, and I had the pleasure of running it for many, many years, and I retired about four years ago and the new management that took over, they were not incapable, they were capable people, but there was not an opportunity, Macy's bought the May Company and suddenly throughout the entire area there were malls that had a Macy's at one end and a May company at the other, so suddenly all of these stores became available.

The management at that time, and I had sold my stock, and I know better than to keep stock in something I'm not involved in because they resent when you have no ownership and you start pushing things around the store, so I got out of there and opened a new business, but when they saw these malls had these stores available they

1 stuck their neck out and bought ten. They
2 thought it was an opportunity of a lifetime,
3 they will never find an opportunity with so
4 many mall stores were available in fairly
5 decent malls.

6 The problem is they went to
7 Baltimore where they thought Boscov's was
8 either coffee or a chocolateery, they never
9 heard of us. They went to Pittsburgh, and
10 if you buy one store you can have the
11 staying power so people get to know you and
12 things like that. When you buy ten they just
13 didn't have the capital. It's not the story
14 -- you buy the store and remodel them, they
15 were all old, so you spent 5, \$7 million.
16 They had to put all furnishing and
17 registers, about 3 3 1/2 million and you
18 need another five to seven million dollars
19 of inventory so they weren't making a go of
20 it and they went in Chapter 11 to get rid of
21 the stores.

22 The other stores were doing well,
23 but they wanted to get rid of those
24 particular ten stores, and one other that
25 was a mistake, too, they opened one right

1 outside of New York City and didn't have any
2 way of advertising it or promoting it at
3 all. So they had went out and got rid of
4 them and they thought that what would happen
5 is that they would find financing to go
6 again, and unfortunately, the market fell
7 apart, there are no banks, there were no
8 banks and it was going to liquidation.

9 A hedge fund by the name of Versa
10 had put in a bid, actually, had come to us
11 for money to put in a bid, I had been given
12 the money, and another company which is
13 really liquidators were going to put in a
14 bid also, and when I saw how little Versa
15 put up, they put up \$11 million to try and
16 by Boscov's, and when they put in the bid
17 they didn't have the \$11 million so it
18 didn't count.

19 We were able to put in a bid, too.
20 We didn't have the money available at the
21 time so we didn't have it, but it avoided
22 what they called a stalking horse where you
23 have to pay \$4 million above the low bid,
24 you know, so we got rid of that and little
25 by little we were able to get the family

7

1 involved. The family had to put up 50

2 million, 53 million and a 10 million dollar
3 letter of credit in order to get the banks
4 sort of interested. This is a unique time.
5 Banking is not easily available and then we
6 asked Viola, New Jersey, because we had
7 taken over really a very bad mall in Viola,
8 New Jersey, and by putting up a new store
9 revitalized it and made it work and they
10 gave us \$2,720,000 in 108's loans, these are
11 all loans. Valent Kelly is providing
12 \$3 million in 108's as a loan and that's
13 because if you have been to Egg Harbor north
14 of Atlantic City we have a mall store that
15 is our number one store, it does 40 some
16 million dollars, it does very well, they
17 didn't want to see it close because the mall
18 would close and they put up \$3 million.
19 Wilkes-Barre, because we have are downtown,
20 is putting up \$3 million of the 108's and we
21 have asked Scranton to do the same. These
22 are loans, and we will pay them back. In
23 Binghamton, New York we borrowed money on
24 108's in order to get the downtown store we
25 paid back every penny of it, it's paid off.

3 Because the money was so rarely used, this
4 year he only borrowed \$90 million, and that
5 \$5 million was used, so he was still sitting
6 with \$85. So we had a gap to fill of about
7 \$35 million and what he did is he asked HUD
8 to pick six areas that would qualify, and
9 these were all small counties like Snyder
10 County, like Butler County, most of them
11 were picked because they are economics were
12 lower than -- lower Marion or on of the
13 areas that have high economics and asked
14 each of them to make an application. They
15 only had to make the application. The state
16 had the money, and as of I guess Friday of
17 this week -- today I'm getting mixed up,
18 Monday of this week, it was just yesterday,
19 is today Tuesday? Then it's yesterday.
20 Yesterday the last of the six counties voted
21 to allow the Governor to borrow this money
22 and we now have the \$100 million that we are
23 required to. It's so unique, a \$100,000 is
24 required in order to get -- take the company
25 over and have the money to run. 110 million

10

1 from us and \$200 million from four banks,
2 Bank of America, the Wells Fargo Bank, I had

3 to learn the song in order to get that
4 money, The Wells Fargo, da, da, da, duh,
5 duh. But they came through. As soon as
6 they heard me sing they wanted me to shut up
7 and they gave us some money. And then we've
8 got CIT, a small bank, and the fourth bank
9 was not a bank it's the Key financial
10 Corporation between them they came up with
11 \$200 million and there is a Boscov's at this
12 point.

13 You are one of the last anchors and
14 we are hoping you will support us. We will
15 pay you back. The advantage of 108's is
16 it's secondary financing. The banks want
17 the first rights on everything. Boscov has
18 pledged collateral to satisfy the state and
19 we will certainly make sure that we pay you
20 back 100 percent, also. The loan is usually
21 a 20-year loan. The advantage, as I told
22 you, is a secondary and the second thing is
23 that are rates are very high today even
24 though the government has put an awful lot
25 of money, the national government has put a

11

1 lot of money in the banks it seems that most
2 of the money is used for banks to buy other
3 banks and we are not seeing much money

4 around.

5 We will be able to operate. We will
6 have enough money to operate. The 39 stores
7 I have left are all -- have positive cash
8 flow. We have no bad stores. This is a
9 very good store. If we close here then the
10 mall would close and we didn't want to see
11 that happen either. But, this is a good
12 store. It's always been good and it will
13 remain good.

14 I think that we are in a tough
15 economic climate. I have got a lot of
16 expenses that I thought I could live
17 without, I'm trying to not to cut the floors
18 because without people on the floor you
19 can't do any business, and hopefully we will
20 do a little better and adding more people
21 and we will do more people. The
22 requirements for HUD is that we hire people
23 that are income eligible, that's 80 percent
24 of the median income. I think up here
25 80 percent of the median income is about 41

12

1 or 42,000 for a family of four. When you
2 review the people that work at Boscov's
3 that's most of them anyway. Most of them

4 fall into that category.

5 I don't think there is a chance I
6 can fail. I'm young, I'm only 79. But, you
7 know, age doesn't mean a darn thing as long
8 as you feel healthy and I'm feel healthy.
9 And when I retired I didn't retire, I got
10 involved this turning Reading around and I
11 started a new business called Direct Link
12 Technology which is a 300,000 square foot
13 building towards technology and hosting
14 co-locations, but that business I'm turning
15 over to one of my people that are very good
16 and that business you only see your customer
17 once a year. In retail, if you see them
18 once a year you are dead.

19 So I am asking for your help and
20 your cooperation. I promise we will pay it
21 back. I'm going to stay as chairman and
22 chief executive officer until it's all
23 stabilized and doing well and then we will
24 find someone to run the stores, and I have
25 two people in mind now, but I will stay on

13

1 at chairman of the board. My wife is not
2 happy with my hours right now, but some day
3 it will get better, she has been waiting a
4 long time, but so I'm going to ask Larry

5 Siegle to come up and tell you a little bit
6 more about how the state works and what they
7 do with the money and things like that.

8 MR. MCGOFF: Thank you, Mr. Boscov.

9 MR. SIEGLE: Good evening, Mr.
10 President, members of council. Obviously a
11 tough act to follow. Mr. Boscov and I have
12 been on the road, this is sort of a road
13 show. As he mentioned, we had six, seven
14 counties that we had to go to as part of the
15 state process and in doing that to counties
16 where Boscov's isn't it's hometown like it
17 is in Scranton, in places like Butler out in
18 the western part of the state or Snyder
19 County or Blair County, which is Altoona,
20 it's a store in a mall and a big store and a
21 significant presence, but not as well-known
22 a commodity as in the eastern part of the
23 state and certainly as it is in places like
24 Scranton or Wilkes-Barre or in the City of
25 Reading. But we went through this

14

1 presentation and I know you all may have
2 some questions. I think you probably found
3 that Mr. Boscov anticipated some of those
4 questions because, again, we have been

5 through this process.

6 I want to just add a little bit of
7 perspective just to recap the financing
8 package of this and to reiterate that really
9 the need for 108 really stems from the fact
10 that the credit markets are shut down. More
11 and more companies are faced with this exact
12 problem. In the Pittsburgh Tribune today 84
13 Lumber is in the same position now looking
14 for additional funding because lenders,
15 creditors don't have much forbearance as
16 they used to. The economy is so bad, hey,
17 we can't let you extend us 90 days out, we
18 want the money or we are shutting you down,
19 and that really is the magic of the 108
20 program whether it's locally like you or
21 through the state program.

22 So we finally, last night closed the
23 state deal, didn't close it, but got the
24 necessary votes from these different
25 counties and I can tell you it wasn't easy.

15

1 We went to some very interesting places
2 where, again, Boscov was not home where
3 there was a lot of discussion, we shouldn't
4 be doing bailouts. Very conservative areas,
5 we don't think that that's the role of

6 government. We really made the case, and
7 the case that we really made here was this
8 is the Boscov's department store. In
9 Pennsylvania 25 stores, 5,500 employees, if
10 you look at places like Scranton and
11 Wilkes-Barre and Reading in particular, not
12 to mention Lackawanna County, Lebanon County
13 or Skuylkill County and the presence there,
14 the effect of Boscov's closing, and I want
15 to make it very clear, that if we don't put
16 this money together Boscov's will close.

17 The creditors are -- we have bridge
18 financing in place at this point, a very
19 nervous group of bridge financiers who the
20 entire thing is contingent on the 108
21 closing. If not, we will be thrown back
22 into Chapter 11 immediately with no shot to
23 work out, so I really want to make that
24 point clear.

25 But, in addition to the 5,500 jobs

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1 that will be lost the stores that would be
2 shut please consider it's great to be in
3 Scranton to address this issue. Consider
4 probably close to a billion dollar of real
5 estate values that would be effected by

6 this.

7 I love Scranton, as Councilwoman
8 Fanucci will tell you, I have been up here a
9 zillion times, used to work for Governor
10 Rendell, worked when I returned to the
11 private sector for the city for a bit, now I
12 work for Mr. Boscov, so I know the city. I
13 have been involved in projects from the
14 city's parking garage and the Molly
15 Branigan's -- Molly Branigan's? Yeah, so
16 many Irish clubs, I got the Molly's right,
17 Molly Branigan to the Connell building to
18 the 5,000 block, to the train station, to
19 the Southern Union building, to the new
20 medical school, to the Lace Works to the
21 middle school redevelopment. I mean, it's
22 unbelievable when you think about.

23 This is not a Boscov's that an
24 anchor to a suburban mall. This is a
25 Boscov's that is an anchor to a downtown,

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1 and I know I don't have to tell you that,
2 but it's not just the mall. It's not just
3 the 172 employees that are at that Boscov's
4 store, it's just not the -- just shy of
5 \$1 million in real estate that that mall
6 pays where the \$200,000 it's contributed to

7 the city on that, it's what happens look,
8 for example, just as the 5,000 block. At
9 that point what's the point of the
10 5,000 block if Boscov's goes dark?

11 So this is a request. Again, it's
12 for a loan. It is for a loan that is
13 secured by both the real estate and by
14 Boscov's inventory, so the risk is
15 substantially minimized, and again, this is
16 just a creative way to get financing to
17 Boscov's to keep Boscov's in business. I
18 wanted to make those points as it related
19 especially to Scranton. It's great to be
20 able to talk to you because I know you
21 understand the importance of Boscov's as
22 opposed to some of these other places where
23 we have to go and say, "Boscov, Boscov, he's
24 our man," and I know here we don't have to
25 do that.

18

1 So I know we are both here for any
2 questions that you have and I'm sure you
3 have some.

4 MS. EVANS: I have a few questions,
5 you indicated just a moment ago that
6 Boscov's paid \$200,000 in city taxes; is

7 that correct?

8 MR. SIEGLE: Plus or minus, yes.

9 MS. EVANS: And is that over a
10 certain period of years or just per year?

11 MR. SIEGLE: In preparation for
12 tonight I talked to the CFO of Boscov's and
13 asked if he could pull up the taxes that
14 were paid, and he pulled up based on current
15 tax bills, I guess, that just have been
16 received then he pulled up past records. He
17 first read out the total taxes which was
18 just shy of \$1,990,000 or something.

19 MR. BOSCOV: Is that Boscov's or the
20 Steamtown Mall?

21 MR. SIEGLE: That's the mall,
22 related to the mall.

23 MR. BOSCOV: The mall. Not Boscov's
24 itself separately.

25 MR. SIEGLE: Correct. But then when

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1 I asked specifically as to the city he
2 pulled that up and came up with the number
3 of 200,000 and that's on an annual basis.

4 MS. EVANS: And, excuse me, I didn't
5 hear you?

6 MR. SIEGLE: And that's on an annual
7 basis.

8 MS. EVANS: On an annual basis.
9 Okay. And, Mr. Boscov, do you own any other
10 properties in the city, for example, I know
11 speakers in the past --

12 MR. BOSCOV: I think I own this
13 building. It's a lovely building, I want to
14 hang onto it. We have a -- I have a
15 majority, my family and I have majority
16 interest and control of ownership of the
17 Steamtown, a share of it with the
18 Mr. Lincoln. We have basically even or
19 majority slightly majority owner on the
20 Sampter's building and on the what used to
21 be Scranton Lace, it changed. Is what they
22 called it, Scranton Lace and then it became
23 something else, but those are the three
24 properties that we have in Scranton.

25 We are a major landlord and we have

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1 been trying to do our best to, you know,
2 doing a downtown mall was unique, we made it
3 work. People thought we were nuts, but it
4 is working and it's a decent mall.

5 We are seeing a fairly tough
6 economic situation, but I think other than
7 Steve and Barry, which we will replace with

8 someone we think will be better, there
9 really hasn't been much loss on the mall.
10 We have a few temps that will move in and
11 out, but otherwise it's been pretty stable.
12 I'm sorry, I didn't mean to broadcast it, I
13 just want to answer your question.

14 MS. EVANS: I also wanted to know
15 because speakers at council meeting have
16 questioned the I believe it's the Marquee
17 Cinema is that tied to your holdings?

18 MR. BOSCOV: The Marquee Cinema is
19 part of the Mall at Steamtown. It's
20 actually part of the Mall at Steamtown, and
21 that is -- I don't know if it's on the same
22 tax role or not, it might be, the \$7 million
23 I'm not sure.

24 MS. EVANS: Also, I learned from our
25 Office Economic and Community Development

21

1 that the city pays annually 20 percent of
2 the current loan's interest. I believe
3 there is, again, according to OECD a
4 remaining amount for Boscov's from the
5 original Section 108 loan, \$5,102,000 and of
6 that, as I said, the city picks up
7 20 percent of that current loan's interest,
8 and I'm wondering if that same --

9 MR. BOSCOV: I don't know anything
10 about that.

11 MS. EVANS: Well, the city through
12 OECD and it's CDBG programs allocates I
13 would say approximately is it \$250,000
14 annually for repayment of Section 108 loans.

15 MR. MITCHELL: For the mall, yes.

16 MS. EVANS: For the mall and for the
17 Hilton Hotel.

18 MR. MITCHELL: Yeah.

19 MS. EVANS: And you indicated then
20 that your explanation for our payment was
21 that the city was picking up 20 percent of
22 the current loan's interest?

23 MR. MITCHELL: Um-hum.

24 MR. BOSCOV: Of the mall or the
25 Hilton Hotel?

22

1 MS. EVANS: Both.

2 MR. MITCHELL: Both.

3 MR. BOSCOV: We don't own the Hilton
4 Hotel, by the way.

5 MS. EVANS: I understand.

6 MR. BOSCOV: I'm surprised. I didn't
7 know you were picking up any. I know there
8 was some money that the city came up with

9 when the movie theatre was talking about
10 closing, is that part of it?

11 MR. MITCHELL: No. That was just
12 another economic development loan.

13 MR. BOSCOV: On the mall. I'm
14 sorry, I didn't know about it. I really
15 should, but I want to thank you, but I
16 didn't know about it.

17 MS. EVANS: Well, I'm just wondering
18 if in this second Section 108 loan if the
19 city is going to incur such financial
20 involvement again?

21 MR. BOSCOV: This is -- go ahead,
22 you should answer that if you want. I want
23 to mention these loans have collateral.
24 This loan that we are asking for now, and I
25 don't know that was ever asked for when we

23

1 were developing the mall, it was just
2 amazing to get it open really, but the two
3 collateral positions are that there has
4 always been assets than liabilities in
5 Boscov's even when they are in bankruptcy.
6 December 29, which is probably the lowest
7 time for use of money because all your funds
8 are coming in from Christmas and your spring
9 hasn't, through January the five we paid off

10 all of the loans to the banks and still had
11 over \$150 million in inventory and costs
12 that is being pledged as part of the
13 collateral.

14 We also have about \$100 million of
15 real estate that is under mortgage or has no
16 mortgage. For example, the store in
17 Wilkes-Barre has no mortgage and some either
18 have no mortgage or Summit River which is
19 appraised for \$18 million and has a mortgage
20 for about five or six that -- anything of
21 that is also collateral.

22 This mall, unfortunately, has enough
23 debt that it doesn't have any real value,
24 but the Lebanon Valley Mall which we own is
25 pledged also as collateral and has a

24

1 positive cash flow, so we are trying to put
2 up enough security that the city shouldn't
3 worry about it.

4 I don't know where the 20 percent
5 you are paying came from. I don't think it
6 was ever brought to my attention, and as I
7 say in the last four or five years when I
8 haven't been involved.

9 MR. SIEGLE: No, but what I do want

10 to make clear is that's certainly not the
11 way this particular loan is structured.
12 This was done when we approached Scranton
13 and Wilkes-Barre really with the
14 anticipation that we would ask you to bear
15 no expense, that the 108 loan will be fully
16 served as principle and interest by
17 Boscov's.

18 Additionally, I think we have
19 provided the consultants for preparation of
20 the application with Mr. Mitchell's review
21 so the cost of Mr. Mitchell's time is a city
22 investment, the time obviously of solicitor
23 review is the city investment, but beyond
24 that the loan itself is entirely serviced by
25 Boscov's, so this really is a guaranteed

25

1 loan 100 percent.

2 MS. EVANS: Thank you. And I might
3 ask Mr. Mitchell could you explain to us why
4 that 20 percent was written into the
5 original Section 108 agreement?

6 MR. MITCHELL: I don't have an
7 answer for you right now. It must just be
8 the way it was structured back then.

9 MS. EVANS: Can you investigate that
10 and send council a written response?

11 MR. MITCHELL: Absolutely.

12 MR. BOSCOV: What happened is the
13 Mall at Steamtown, we had been running and
14 paying full taxes to my knowledge. There
15 was an area when we first started where I
16 think taxes were lowered and went up every
17 year for a number of years until we reached
18 a final tax rate. The 108's to my
19 knowledge, unless something happened, I'm
20 not sure when we got a credit for 20 percent
21 of the 108's. The only hiccup I can remember
22 was when the movie theatre was pulling out,
23 the city felt very strongly that they didn't
24 want to lose the movie theatre and they may
25 be involved in that, I'm not sure.

26

1 Otherwise, I can't tell you that the mall at
2 Steamtown has been financial successful, but
3 we have been picking up whatever it's been
4 losing every year. The reason for it is we
5 spent too much money not -- because we spent
6 about \$110 million at the time and the
7 amount that you can charge for rental in
8 Scranton is relatively low comparison to the
9 cost, so Ed and I have been making the
10 payments every year on the mortgage of the

11 mall.

12 We have paid it down, it was almost
13 \$110 million, I think it's somewhere around
14 50 million or 60 million, but if it has
15 negative cash flow right now we pick it up
16 every year.

17 MS. EVANS: Thank you.

18 MR. MCGOFF: Mrs. Gatelli?

19 MS. GATELLI: Mr. Boscov, how many
20 people are employed at the mall?

21 MR. BOSCOV: In the mall? My
22 goodness, there has to be probably about 400
23 I suspect. I don't have any actual count,
24 but I'm just looking at the amount of stores
25 there, the amount of shifts, the Bon-Ton at

27

1 the other end, that's not counting our
2 people, I'm just saying the mall would have
3 been 400 maybe a little bit more. There is
4 probably more, there' about roughly 100
5 shops, the average shop would probably have
6 three shifts on Saturday and Sunday,
7 probably five or six or probably 500 or 600
8 people in the mall and Bon-Ton probably has
9 about 80 or 90, also, so it would be
10 certainly about 600 plus whatever we have.

11 The mall is an important part of

12 downtown and I think that it's done it's job
13 in trying to keep the downtown alive, and I
14 think we are proud of it and I think that
15 most of the community is proud of it. When
16 we first built the underground garage we
17 didn't think anyone would ever come because
18 they wouldn't want an underground garage and
19 luckily it snowed so we get a lot of people
20 in the underground garage. But we are here,
21 we are going to stay here. The store is
22 profitable. The mall is not as profitable,
23 but not because of the mall itself, it has
24 plenty of people, it's just the amount of
25 money we spent building it. We built

28

1 something that we can be proud of and I
2 think it still looks pretty darn good.

3 MS. GATELLI: Also, I would just
4 like to comment that I was aware of the fact
5 that always made your 108 loan payments to
6 the city.

7 MR. BOSCOV: Well, we always paid on
8 time. I need to find out where the
9 20 percent came from. I really don't know
10 where it came from. We'll find out, but --
11 you will find out sooner. If they don't I

12 will find out.

13 MS. EVANS: Mr. Boscov, I had been
14 reading about various businesses throughout
15 the country who are in financial difficulty
16 at this time, and at some juncture I had
17 read that Bon-Ton may be experiencing
18 difficulty, do you foresee their remaining
19 in the Steamtown Mall?

20 MR. BOSCOV: Well, I think Steamtown
21 is a good store for them, but I don't know
22 if they are having financial difficulty.
23 They are a public company, we are a private
24 company, so they have other means of
25 financing. From my knowledge they had

29

1 adequate funds.

2 What we are seeing though is that
3 even if a company goes into Chapter 11 it's
4 been very, very difficult to come out. In
5 the past, Chapter 11 was a way of
6 reorganizing and coming out as a fresh and
7 exciting business. Under the present case
8 if you go into Chapter 11 it's very, very
9 difficult unless you can raise an awful lot
10 of money to find the banks. In.

11 Our case, we had a bank called
12 National City putting up \$50 million when we

13 were first trying to find money. Well, PNC
14 bought it, they just got \$6 billion from the
15 government and spent 5.7 billion to buy
16 National City. Wachovia was in for 60
17 million. Wachovia was one of our major
18 banks, suddenly they were bought by Wells
19 Fargo, and Wells Fargo did come into it at
20 the very end, but it's very, very difficult
21 to see survival.

22 Circuit City should never have been
23 liquidated. It should have had the chance
24 to reorganize and it was a viable format
25 that was doing fine. I don't know where

30

1 they got in trouble, but part of the thing
2 in electronics is moving with the time.
3 Music doesn't mean anything anymore. The
4 kids don't have to really buy tapes so they
5 had to find a replacement for that part of
6 the business and they had to find different
7 things, but they were a major competitor and
8 fairly successful in their business.

9 They had made a decision some time
10 ago to go out of Whitehurst, it probably was
11 a mistake because they had to support that
12 same building along with video, there isn't

13 much stereo business, stereo became the type
14 of speakers you have in your television
15 today.

16 But we have 39 stores now, not one
17 of them doesn't have positive cash flow, not
18 one of them. One of our weaker stores is
19 Binghamton, New York, it had a \$1,600,000 of
20 cash flow last year, and Binghamton, New
21 York, has not had the success of your
22 downtown. Your downtown is coming along
23 pretty fine. It doesn't happen in a day.
24 It takes a long time to recreate a downtown,
25 but we are seeing the next block becoming

31

1 attractive now, and I think people are proud
2 about coming downtown now so I am not
3 worried about Boscov's. I think it will
4 take me, and you will see changes. Our
5 accoutrements are usable for everything
6 right now. If you have the Hubble telescope
7 you could read the fine print that tells you
8 that not good for you, but it's going to
9 superior and it going to be god. We are
10 going to go back, Boscov's was fun and a
11 good value and we are going back to that.
12 It's taking some time to get the merchandise
13 in and get ready, but you will have an

14 exciting Boscov's. We see very little drop
15 in volume this year, not because of the
16 economy, but because when you are in Chapter
17 11 you don't have the stock. If you would
18 go to our store in August they are telling
19 me that we didn't have anything for back to
20 school, and the drops -- and those drops
21 were 30 percent, 35 percent. With those
22 types of drops this year we think we can
23 have a -- break even or show an increase, so
24 a lot of the stores may be taking a drop
25 this year, and it is sad, but unemployment

32

1 has scared everybody. I don't see us going
2 through that problem. I think that we ended
3 up with a very successful December, partly
4 out of customer loyalty not because we were
5 so wonderful. We still didn't have full
6 stock, but a lot of people were worried
7 about us and supported us, and I think
8 January, it's hard to tell about January,
9 you get a lot of steady -- if you don't do
10 business you don't get a lot of steady
11 business either, but never mind in January,
12 but we are coming into spring. We think we
13 will be okay. I think we will back to what

14 we meant to people. We aren't trying to be
15 a snob store, we are trying to be a fun
16 store. Lo and behold I recognize that
17 retailing is just recreational. I'm
18 guaranteeing that your closet is full, and
19 your closet is full and even the men's
20 closets are full and there isn't a woman in
21 America whose closet isn't full, but it's
22 fun to get something new and the men are
23 just as guilty today as woman, so we will be
24 back to recreational shopping, and it will
25 be a little tougher, but I think because we

33

1 had such a problem last year it won't be so
2 difficult for us this year.

3 Any other questions you have? You
4 weren't wanting to get a speech every time
5 you asked a question. It's very dangerous.
6 Very dangerous.

7 MR. MCGOFF: Ms. Fanucci?

8 Mr. Courtright?

9 MR. COURTRIGHT: That's fine, thank
10 you.

11 MR. MCGOFF: We would like to thank
12 you for your coming before us and speaking
13 and hopefully the continued success of your
14 enterprise.

15 MR. BOSCOV: Thank you. Thank you
16 very much.

17 MR. MCCOFF: At this time Third
18 Order.

19 MS. GARVEY: THIRD ORDER. NO
20 BUSINESS AT THIS TIME.

21 MR. MCGOFF: Thank you.
22 Mrs. Gatelli, any announcements?

23 MS. GATELLI: Yeah. I just have a
24 few. There is going to be a benefit for Jim
25 Chapman, he is a cancer victim, father of

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1 eight children and grandfather of 16. The
2 dinner will be held at the 20th Ward Club,
3 2028 Pittston Avenue in South Scranton on
4 Saturday, March 7 from 1 to 5. The cost is
5 \$8 and I do have tickets available.

6 Also, just to reiterate the other
7 two dinners that are happening, one for Chad
8 Lewis on the 21st from 6 to 10 at Holy
9 Rosary, and one for Joseph Nunez on the 28th
10 at the Clarion at 8:00 and that's \$12, and
11 they are all cancer victims. That's all I
12 have. Thank you.

13 MR. MCGOFF: Anyone else? Mrs.
14 Evans, anything?

16 and a lot of holes out there. My buddy,
17 Pat, my buddy, Tom -- oh, my buddy Pat told
18 me to tell you hello.

19 MR. COURTRIGHT: Okay.

20 MR. STUCKER: On Parrot Avenue, you
21 know him.

22 MR. COURTRIGHT: I know him. Hello
23 to Pat.

24 MR. STUCKER: We have a guy named Tom
25 topple, he has a red pickup, and he had

36

1 brand new tires on it and what happened the
2 holes are bad out there and he hit a hole a
3 couple of times, Tom did with it and he was
4 afraid to blow a tire. Everywhere you go.

5 MR. COURTRIGHT: Yeah, they are bad,
6 Jim.

7 MR. STUCKER: It had to be your
8 brother that called me. Your brother --

9 MR. COURTRIGHT: Jim, Jim, no.

10 MR. STUCKER: He called me up. Your
11 brother called me. He called me last night
12 and says, "Do you know a guy named
13 Courtright?"

14 And I said, "Yes, I do. Yeah."

15 He said Courtright. That's you.

16 MR. COURTRIGHT: That's me, Jim, but
17 you know what I really appreciate the
18 birthday card, but somebody was teasing you.
19 Jimmy gave me a nice birthday card because
20 somebody had told him it was my birthday and
21 he gave me money which I returned to him,
22 and so I appreciate you bringing it me, Jim.
23 Thank you very much, but somebody was just
24 playing a joke on you.

25 MR. STUCKER: Yeah, a lot of people

37

1 do that. And the Jeannie she just told me
2 tonight not to get a scooter and I'd like to
3 know, she is not paying for it.

4 MR. COURTRIGHT: Who?

5 MR. STUCKER: Jeannie.

6 MR. COURTRIGHT: Jeannie. Don't
7 listen to Jeannie.

8 MR. STUCKER: She said I don't need a
9 scooter. I said I had a couple of them and
10 I was happy.

11 MR. COURTRIGHT: Don't ride it on the
12 street though.

13 MR. STUCKER: I can ride it on the
14 street.

15 MR. COURTRIGHT: You got in trouble
16 last time.

17 MR. STUCKER: Everything is good. My
18 building is good.

19 MR. COURTRIGHT: Very good. Thank
20 you, Jim.

21 MR. MCGOFF: Thanks, Jim. Mike
22 Dudek.

23 MS. GATELLI: Excuse me, before you
24 start, I don't know your name, is there a
25 way you can turn these down? They are like

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1 echoing? Please, because you are getting
2 like a back -- thank you.

3 MR. DUDEK: My name is Mike Dudek,
4 608 Depot Street, I live in the Plot and the
5 purpose of a city council is really to do
6 two things, one is obviously to carry out
7 the business of the city, the streets, fire,
8 the police and all of this, but there is a
9 second purpose to a city council and it's
10 staggered throughout the 50 states.

11 Sometimes an issue comes up that demands
12 that a city council speak to it and to speak
13 to it with one voice, and we have a
14 situation like this here in the city.

15 So what I have done with in
16 situation to take some time to write a

17 little model letter on the issue and I'll
18 read it to you, and then I'd like to discuss
19 it with you: On the closing of the Scranton
20 State School for the Deaf, it is with the
21 strongest sense of outrage that we, the
22 members of Scranton City Council, as both
23 individuals and as members of this council
24 unanimously announce publically our
25 opposition to the plans of Governor Rendell

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1 to close the Scranton State School for the
2 Deaf. The marker placed in front of the
3 school by the Pennsylvania Museum and
4 Historic Commission hardly does justice to
5 the school. Aside from being the first
6 school of it's kind both in Pennsylvania and
7 the United States. This school could
8 perhaps lay claim to being the first of
9 school of any kind of special education
10 anywhere in the world. Today it is an
11 experimental laboratory school in the area
12 of defining and refining newer and more
13 advanced methods of carrying out deaf child
14 education. Many new methods in deaf
15 education have provided similar applications
16 of teaching methods in many other areas of
17 special education, and there is simply no

18 way to calculate a cost benefit analysis on
19 this.

20 The school takes deaf children and
21 prepares them either for a successful
22 vocational career or for further academic
23 advancement leading to an academic degree in
24 professional placement.

25 At one time, both the United States

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1 -- in one time in both the United States and
2 in Europe persons with any kind of learning
3 disability from the blind and deaf to those
4 with epilepsy or other barriers to learning
5 were lumped together with persons with
6 psychological problems in places called
7 sanitariums.

8 What the governor proposes most
9 certainly will condemn too many of these
10 students to the welfare rolls or worse. In
11 the 1930's the very heart of the great
12 depression with a national unemployment rate
13 of 25 percent or more, no one ever moved to
14 close this school. So, to close it now with
15 our economy as it is now simply diminished
16 us as a very selfish people. Governor
17 Rendell wants to close the school that pulse

18 it's financial wait by helping deaf persons
19 into taxpayers because of short-sided
20 bookkeeping. Scranton City Council opposes
21 the closing of the school. We ask all
22 Scrantonians to send a letter to the
23 Governor's Office to tell him you also
24 oppose the closing of the school.

25 I just wrote this as a model letter

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1 for you that you can draw upon. I also
2 forgot to put in there that you could make a
3 case, a very strong case, that to close this
4 school would be a total violation of the
5 Pennsylvania Constitution. The Pennsylvania
6 Constitution mandates a free public
7 education. These are students who are in
8 desperate need of it and who have desperate
9 needs. These needs have being met for
10 110 years. Why close it? There are many
11 other waste I think the governor could, you
12 know, tweak a budget.

13 I mean, the first thing that hit me
14 when I saw this and that the governor was
15 recommending it is, you know, the governor
16 is being so outrageous in the use of his
17 power that he almost reminds me that he must
18 think he is the Bishop of Scranton. You

19 know, he can't do things like this. You
20 just can't. A governor does not have that
21 kind of power.

22 Now, Mrs. Fanucci, thank you for the
23 information. She tipped me off to the point
24 that Senator Mellow is opposed to this.
25 Now, I'm thinking of those wonderful Version

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1 commercials where you have the Verizon
2 owner, like Senator Mellow, and you put city
3 council and us and everybody else behind
4 them, like 500 people behind him, so that
5 the governor know that we oppose the closing
6 of this school. We need this school. It
7 diminishes as people to condemn these
8 children to a life of nothing. We can't
9 allow that to happen.

10 Next week I'm going to talk again on
11 this subject, and I'm going to give you some
12 ideas as to what we can do as a people, as a
13 council and as people, to keep this school
14 open.

15 MR. MCGOFF: Thank you, Mr. Dudek.

16 MS. EVANS: Mr. Dudek, I'm going to
17 address that later in my motions tonight.

18 MR. MCGOFF: Les Spindler.

19 MS. GATELLI: I just want to say one
20 thing, Mr. McGoff. Mr. Dudek, on the
21 Internet I have gotten at least four or five
22 e-mails already signing a petition on-line
23 to keep the school open so you might want to
24 tell people about that, too.

25 MR. DUDEK: I didn't know.

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1 MR. SPINDLER: Good evening,
2 Council. Les Spindler, city resident and
3 home owner and taxpayer. I was wondering if
4 anyone looked into the problem I brought up
5 with Scranton Ford last week with them
6 blocking the sidewalks and having to walk
7 out in the street? No one looked into it?
8 Somebody? Anybody going to look into it? I
9 think that's a public safety issue.

10 MR. COURTRIGHT: I'll check into it,
11 Les.

12 MR. SPINDLER: Thank you,
13 Mr. Courtright.

14 MR. COURTRIGHT: You are welcome.

15 MR. SPINDLER: The next thing, is
16 there any progress on the cell phone ban
17 with cars in the city? Mrs. Gatelli, do you
18 know anything about that?

19 MS. GATELLI: We made a motion to

20 send a letter to Kenny Smith because they
21 have a bill, I forget the number of the
22 bill, but we sent it about two weeks ago for
23 them to enact the cell ban and he is a
24 cosponser of it so you might want to give
25 him a call or you can give him over at the

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1 restaurant and maybe we can get a petition
2 or something to encourage him to get the
3 other legislators to go along with his bill.

4 MR. SPINDLER: Okay. Thank you. I
5 see where there is a "For Sale" sign on the
6 church at 933 Prescott that how houses CDTV.
7 I guess they are going to have to move. Are
8 they going to want another \$100,000 to
9 relocate to another building like they got
10 for renovating the church? I think it's
11 ridiculous. I think this is station is
12 going to told. I think it's a farce. They
13 are -- the shows on there are ridiculous.
14 The sound is terrible. I think council
15 should look into getting Scranton Tomorrow
16 back because I think Mayor Doherty is going
17 to get what he wants with this station
18 holding these council meetings will no
19 longer be broadcast.

20 Next thing I wanted to ask Mrs.
21 Evans something, but she is gone. I guess
22 I'll read some comments I have. I have to
23 make some comments about what a speaker said
24 last week. Last week's speaker claimed they
25 received a threatening letter and went so

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1 far as to blame regular speakers at this
2 meeting for the letter. As a regular at
3 these meetings for over seven years, I take
4 great offense to that and I take it
5 personally. I can speak for myself and the
6 other regular that we wouldn't stoop to
7 those depths.

8 The speaker went onto say how much
9 she loves this city and that all the
10 regulars are negative. First of all, if the
11 speaker loves the city so much why is she
12 only shows up in Doherty election years and
13 all the regular speakers are every week
14 trying to make this city a better place?

15 And as far as being negative, the
16 only thing we do is point out all the
17 negative things that Chris Doherty has done
18 for this city in the last seven years such
19 as taking a \$3 million surplus from the
20 Connors' administration and turning it into

21 a record long-term debt. The city has lost
22 hundreds of jobs under Chris Doherty, our
23 population has reached an all-time low, and
24 also our police and firefighters haven't had
25 a raise in over seven years. While he has

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1 hired cronies and given huge raises which is
2 a violation of his own Recovery Plan. If
3 any of this is untrue, I defy anyone to
4 prove me wrong.

5 Oh, and one more thing, in the very
6 beginning when he was elected he said he
7 would be the sixth council person that was
8 going to lower the wage tax. We all know
9 those two lies right there.

10 I guess I have a little more time.
11 Last week at Channel 16 they reported that
12 they are going to have ice skating at Nay
13 Aug. That's great. It's going to 60 degrees
14 tomorrow and now we are going to have ice
15 skating at Nay Aug, and I heard where the
16 mayor is going to offer free swimming at Nay
17 Aug this summer, could you say election year
18 or maybe he is afraid that the feds are
19 going to come after him, he was collecting
20 those fees illegally for seven years because

21 I have a deed that states it should be free
22 swimming -- or free in a public park
23 forever. Well, maybe we will finally get
24 our justice now. Thank you.

25 MR. MCGOFF: Thank you, Mr. Spindler.

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1 Lee Morgan.

2 MR. MORGAN: Good evening, Council.
3 We are off to a really good start today
4 considering that Les and Sherry didn't have
5 words tonight so we are doing pretty good.
6 The first thing I have here is I agree with
7 Mr. Dudek in regards to the Scranton School
8 for the Deaf. Now, the tax group is trying
9 to get the Scranton School for the Deaf to
10 bring students into one of our meetings and
11 let these young adults explain what is so
12 important about the Scranton School for the
13 Deaf to them and how it's enriched their
14 lives and this community. And I just hope
15 that all of the members of council and all
16 of the residents of this city would call the
17 State Bureau of Information, I got a number
18 out of the phone book, 1-800-932-0784. I
19 don't know what the governor's hotline
20 number is, but, you know, now is the time to
21 call all elected officials and let them know

22 just how important this school is not just
23 to the City of Scranton, not just to
24 Lackawanna County, but quite possibly to the
25 state or the nation as a whole. When you

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1 read a lot of history, as Mr. Dudek tried to
2 say, at one time having impairments really
3 was a detriment to even having a life, and I
4 find that to be an important issue here in
5 the city.

6 Another thing is Mr. Boscov was here
7 tonight looking for funding. It's probably
8 a tough thing to get financing the way the
9 world markets are, but -- and it may go
10 against what other people believe, but I
11 think it might behoove the city to try to
12 make that possible for Mr. Boscov and give
13 the loan to Mr. Boscov. The mall itself, in
14 my opinion, is struggling. I have talked to
15 merchants who have shops there. The economy
16 is absolutely a mess. The banks are frozen.
17 He did build this mall in the city and he
18 did make a lot of money when he built the
19 mall, but at least he came here and built
20 the mall. He is a 79-year-old guy and he
21 could have just walked away from the whole

22 mess and left it collapse and evidently it
23 was important for him to come out of
24 semi-retirement and try to salvage this
25 store.

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1 I think that the mall without
2 Mr. Boscov would just dry up and blow away,
3 I have to be really honest with you, because
4 he is one of the anchors there, and as long
5 as he always paid his other loans I think
6 his credit is good and, I mean, we have to
7 move to a position in this city where we are
8 going to do programs in the neighborhoods
9 and I think that the city council and the
10 mayor has to realize that after this it's
11 time to pump a lot of money into the city
12 itself, the neighborhoods, but at this one
13 time I think that it would be a smart move
14 to try and help Mr. Boscov at this point.

15 And maybe next week I'll get back to
16 blight because I'd like to follow that
17 through since, you know, I think it's
18 important. Thank you.

19 MR. MCGOFF: Thank you, Mr. Morgan.
20 Mr. Quinn.

21 MR. QUINN: Ozzie Quinn, Taxpayers'
22 Association and the Hill Neighborhood

23 Association Blight. Regarding Mr. Boscov, I
24 attended the public hearing at OECD and the
25 Lackawanna County and I asked him and I'm

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1 asking you, did Mr. Boscov present a
2 business plan to you? He didn't I know to
3 OECD or to the county. You know, when there
4 is a loan by a public -- from a public agent
5 you should, you should present a business
6 plan. Anybody know if you have a business
7 plan? Have it in your files here?

8 MR. MCGOFF: As far as I know, we
9 have not received that.

10 MR. QUINN: Well, you should look a
11 business plan before you do anything. I
12 mean, you just don't make loans even in OECD
13 and you should have a business plan. The
14 other thing, too, I know Mr. Boscov since
15 they started in 80's, okay, but the fact is
16 I can't really go along with the fact that
17 he has helped elect financially Mr. Doherty
18 and the Governor Rendell by donating money
19 to their election, and for Mr. Doherty and
20 Mr. Rendell to give him this money it taints
21 things, you know, and I have a list of the
22 contributions he made to Mr. Doherty and

23 Mr. Rendell.

24 And actually, you know, Boscov's is
25 a good place for downtown, it's great for

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1 the mall. But, you know, there is an
2 ethical part to everything and there is also
3 a part where he should actually do those two
4 things, he should show how much he gave to
5 Rendell and Doherty and also present a
6 business plan.

7 The other thing I want to address is
8 the fact that when Mayor Connors left we
9 were \$36 million in long-term debt, now we
10 are like 150- \$170 million of long-term
11 debt. When Mr. Connors left there was 13
12 neighborhood associations and now there is a
13 scattered couple, okay? And what's
14 happening now, South Side, City Council is
15 actually an extension of South Side. Every
16 program that comes down the pike, Elm
17 Street, this neighborhood stabilization
18 program, the inspectors that were just
19 appointed, they are all gone to South Side.
20 How about North Scranton? What about West
21 Scranton? Bill, you were promised sidewalks
22 over in West Scranton, you know, even when
23 he made his speech last year over in the

24 chamber, his state of the city, he said West
25 Side, you know?

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1 So, we are in touch shape here, you
2 know, when this debt and, you know, at one
3 time the neighborhood associations were so
4 strong during the 90's that they used to
5 have 50 to 100 people at their meetings when
6 they met, and what happened was Mr. Doherty
7 was able to divide and conquer. He hired
8 some of these presidents and other members
9 and put them on the payroll or on
10 commissions or authorities and so with the
11 neighborhood associations and various parts
12 of the city, so you know why? You don't get
13 no grief from the neighborhood. So what's
14 happened, as Lee Morgan pointed out we've
15 got blight. Look around. The curbs are
16 gone, the sidewalks are gone, the streets
17 are in disrepair, people need housing
18 rehabilitation, and yet, you know, you don't
19 hear anybody squawking. Mr. Doherty put an
20 end to that.

21 So it's ashame and I think you got
22 to start facing reality here of what he is
23 doing to this city, and I agree on that and

24 I urge you to get a business plan for
25 Mr. Boscov. Thank you.

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1 MR. MCGOFF: Thank you Mr. Quinn.
2 David Bergerhoff.

3 MR. BERGERHOFF: David Bergerhoff,
4 North Scranton. I want to start right there
5 with North Scranton, and Janet Evans isn't
6 here right now, but she mentioned some rehab
7 work or something that's going to be done
8 with the North Scranton Middle School
9 regarding an auditorium, 500 seat
10 auditorium, anybody aware of that which I'm
11 speaking of?

12 MS. GATELLI: Yes, that's Goodwill
13 Industries that's developing that.

14 MR. BERGERHOFF: Right, but they are
15 looking for state funding and state money, I
16 thought she said they were looking for some
17 sort of grant in order to do some more work
18 on that school.

19 MS. GATELLI: I think they have the
20 grants already.

21 MR. BERGERHOFF: Because I just want
22 to know what's been done with the money as
23 of so far concerning when you look at the
24 school the front of it looks great, then you

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look at the sides and the back and every

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window is still the original window in the

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place, they are broken. There is a lot of

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work that hasn't been done, and I have done

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construction and destruction in my life, and

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I have seen the amount of dumpsters it takes

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to clear a house, let alone a building of

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that size, so I know there is a lot more

8

that needs to be done there.

9

I also saw where back in like '05 it

10

looked like it was an agenda item for

11

\$350,000 from this council who was voting on

12

it, I'm not sure how the vote went, but I'm

13

under the impression that they did get the

14

money, and I'm wondering what happened to

15

that \$350,000. I'm wondering when maybe we

16

will get an opportunity to see inside the

17

school and really verify some of this work

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is being done and that it's being spent

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properly.

20

I also saw that the school was

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approved for a program where it was supposed

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to be turned into affordable housing and

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that was accepted back in like '92. That

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work was never done. I saw in 2007 they

1 that plan was shot down by the Department of
2 Interior, and I'm curious, have we given any
3 business plans or any ideas to the
4 Department of Interior or anyone else in
5 regard to who is in charge of making these
6 decisions to make sure that this is
7 acceptable work that we are proposing right
8 now? That we are getting the money for it,
9 and I'm not sure it's even approved. You
10 can't do too much to change the interior of
11 that building based on what I read here.
12 And I just want to know where this money is
13 going and why is it being spent when I can't
14 see any difference. I live half a block
15 from the school, so I will tell you, it
16 needs a lot more work than a theatre being
17 done in the middle, so we are a long way
18 away from the theatre project, and that's
19 just a point I wanted to make.

20 I just wanted to address a few
21 statements from last week, Councilwoman
22 Evans, I really wanted to thank her for her
23 responses in regard to legitimate questions
24 I had and I do applaud for her commitment to
25 her family and her mother in particular in

1 our city, and I'm under the impression that
2 if she ever felt her family would interfere
3 with her work here that she would step down,
4 so I'm fine with her making those
5 statements.

6 Mrs. Gatelli, you spoke to me after
7 the meeting, I asked you to address me
8 publically regarding your statements, but
9 I'll just basically rehash what had been
10 said outside. You still defend Zach
11 Connors' hire based on his biography, so I'm
12 really not going to go into that, but you
13 also stated that there was no college degree
14 required for the job, and I'm not going to
15 debate the merits of education, however,
16 there is a lot of people that were involved
17 that did have college degrees, and so that
18 fact alone I think other people should have
19 been given a chance. And then I thought it
20 was funny when I said to you that did you
21 think it was anything other than political
22 and you stated, "How do I think most of the
23 people in the city got their job?"

24 I just think that goes to my point
25 that all of us citizens --

1 MS. GATELLI: It is your point. You
2 are right. You are correct.

3 MR. BERGERHOFF: We need to be more
4 diligent and we need to definitely check on
5 all public hires and we definitely need to
6 consider answers like that when we consider
7 voting because it's like business as usual
8 is basically what you said, and I don't
9 agree with business as usual anymore.

10 Mr. McGoff, I believe if you are
11 going to enforce the rules it needs to go
12 both ways, and I think it was very
13 unprofessional you did not what you had said
14 to me and tell me to watch it on television.
15 I have Direct TV, I don't get this channel.
16 I went over to my buddy's house and I
17 watched it and I understood what you said.
18 You know, it actually, limited freedoms
19 which I think you referred to as it's up for
20 debate like most First Amendment Rights, so
21 it's not necessarily black and white and
22 it's never came to Court, we always the
23 opportunity, yes, we do have the opportunity
24 to debate it in Court, sir, not here right
25 now, thank you.

1 speak and we will see, that what I promote
2 is fairness in regard to honesty. But what
3 you spew is hatred and the ugliness of the
4 politics in your heart and when we vote you
5 our of office that is just a start.

6 I would just like to implore, please
7 don't misstate my actions --

8 MS. FANUCCI: That was good.

9 MR. BERGERHOFF: Please --

10 MS. FANUCCI: I'm complimenting you.

11 MR. BERGERHOFF: Excuse me.

12 MS. FANUCCI: You worked hard on it.

13 MR. BERGERHOFF: Excuse me. I didn't
14 work hard on it, it took me 30 second to
15 write that. I wrote this in 30 seconds when
16 I got home, believe me, I'm much more
17 intelligent than you. Please don't mistake
18 my passion for anger and getting in these
19 tit for tats with her, you know, I wasn't
20 going to make this quote that I also thought
21 of the other night when I went home, but,
22 you know, perhaps if Jesus was a pastor --

23 MS. FANUCCI: See ya.

24 MR. BERGERHOFF: -- was a preacher
25 then the devil presents himself as a

1 politician or herself. Thank you.

2 MR. MCGOFF: Thank you. Jean Suetta.

3 MS. SUETTA: Hi, Billy. Jeannie
4 Suetta, Scranton, Pennsylvania. Bill, who
5 got the sidewalks cleaned?

6 MS. FANUCCI: Bill did it.

7 MS. SUETTA: No, he didn't.

8 MS. FANUCCI: Yes, he did. I saw
9 him. I am just saying.

10 MR. COURTRIGHT: You must have
11 Jeannie.

12 MS. SUETTA: A little bit. I made a
13 couple of calls. Has this city gone crazy
14 altogether?

15 MS. FANUCCI: Yes.

16 MS. SUETTA: We have had a bitter
17 cold winter and the first week in February
18 we put up an ice rink. We are having 90 --
19 60 degree weather tomorrow, tell -- I almost
20 slipped. What are they, crazy?

21 MS. FANUCCI: Yeah.

22 MS. SUETTA: I mean, you know, we had
23 a bitter cold and they had to wait for the
24 right elements. You make ice so it can melt
25 in three days?

1 MR. MCGOFF: Actually, the ice rink
2 had been up for about a month.

3 MS. SUETTA: Why wouldn't they let
4 anybody skate?

5 MR. MCGOFF: People were tere
6 skating.

7 MS. SUETTA: Don't tell me it wasn't
8 cold enough.

9 MR. MCGOFF: People were there using
10 it.

11 MS. SUETTA: Well, how come they just
12 announced it?

13 MR. MCGOFF: I don't know why they
14 just announced it. All I know it had been
15 up for about a month.

16 MS. SUETTA: Yeah. Sherry, he did
17 not plow Jilly's. He took my warning.

18 MS. FANUCCI: Good.

19 MS. SUETTA: Because I would have
20 gave you his name.

21 MS. FANUCCI: I'm glad, Jeannie,
22 because I was worried.

23 MS. SUETTA: Bill, is it your
24 birthday today?

25 MR. COURTRIGHT: No.

1 MS. SUETTA: What do you mean, you
2 denounce me on television. Jesus, Mary and
3 Joseph. I mean we have none of that here.
4 No, but outside? You know, Bill? Don't
5 denounce me on television.

6 MS. GATELLI: What are you doing
7 outside, Bill?

8 MR. COURTRIGHT: I'm not going to
9 say.

10 MS. SUETTA: He had the rest, he is
11 trying to get the best.

12 MR. COURTRIGHT: I'm not saying
13 anything, Jean, go ahead.

14 MS. SUETTA: Have a good night.

15 MR. COURTRIGHT: You, too.

16 MR. MCGOFF: Thank you, Ms. Suetta.
17 Mr. Jackowitz.

18 MR. JACKOWITZ: Bill Jackowitz, South
19 Scranton resident and member of the
20 Taxpayers' Association. Looks like tonight
21 is quote tonight, so I have a couple of
22 quotes tonight myself.

23 MS. FANUCCI: I know they are going
24 to be better though, Bill.

25 MR. JACKOWITZ: "The democracy will

1 cease to exist when you take away from those

2 are willing to work and give to those who
3 would not." Thomas Jefferson.

4 Okay. I, too, would also like to
5 comment on Ms. Joanne Williams' comments
6 last week. This is the first for me
7 commenting on other speakers. Mrs. Williams
8 lumped every single regular speaker into one
9 when she said that we are cowards. I'm
10 telling you right now I am not a coward, I
11 have never been a coward, and I never will
12 be a coward.

13 Furthermore, if I have something to
14 say I'm going to say it to your face or I'm
15 going to say it in print to a letter to the
16 editor or I'm not going to say you out in
17 the hallway, whether you agree with me or
18 even disagree with me I'm going to tell you
19 the way I feel, it's as simple as that. So,
20 Mrs. Williams if you are listening, Bill
21 Jackowitz is not a coward and I never will
22 be a coward, and I don't think it's right
23 for you to lump all of the doomers and all
24 of the ankle biters into one because we are
25 all individuals with individual rights.

1 Okay, as far as Al Boscov. Oh,

2 furthermore, I have received threatening
3 letters and my letters are signed by the
4 Southsiders. Ms. Gatelli and Mr. McGoff,
5 you guys live in South Side, are you part of
6 the Southsiders?

7 MS. GATELLI: No.

8 MR. JACKOWITZ: No? Is that a no,
9 Bob?

10 MR. MCGOFF: I shall remain
11 anonymous.

12 MR. JACKOWITZ: How about you
13 Mr. Fanucci, are you an auxiliary member?

14 MS. FANUCCI: No, but if I know where
15 to sign up, maybe. I don't know.

16 MR. JACKOWITZ: You probably would.
17 You probably would. I was just curious
18 because mine are all signed by Southsiders
19 from Chebby Street, C-H-E-B-B-Y. One of the
20 cross streets in my neighborhood is Cherry
21 Street, so they don't now how to spell
22 Cherry, obviously, but anyway, if they ever
23 want me or maybe if you guys know any
24 Southsiders and they want to meet for a
25 beer, hey, tell me. Give me a call I'll be

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1 more than happy. I'll even buy.

2 But, as far as the Boscov's go,

3 Mr. Boscov admitted that he had a bad
4 business plan, he basically said that, that
5 the reason why they are in the position they
6 are in now is because they made a lot of bad
7 business decisions and, you know, he wasn't
8 involved in it, but he appointed the people
9 who were involved in it. Am I against
10 giving him the \$3 million? Not really.
11 But, I am in favor of him providing a
12 business plan, so we now that this doesn't
13 happen again. And so I strongly suggest
14 that city council and the mayor or whomever
15 is involved in this, OECD, get a business
16 plan from Mr. Boscov so we know we are going
17 to get our \$3 million back.

18 And political correctness, here is
19 another quote, I'm not smart enough to
20 remember them, so I have to actually read
21 them, "Political correctness is a doctrine
22 fostered by a delusion, illogical minority
23 and rapidly promoted by an unscrupulous
24 mainstream media which holds forth the
25 proposition that it is entirely possible to

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1 pick up a turd by a clean end," and that's
2 by RJ Wintleman, Lieutenant Colonel, United

3 States Marine Corp, Retired. Thank you.

4 MR. MCGOFF: Thank you, Mr.

5 Jackowitz. Marie Schumacher.

6 MS. SCHUMACHER: I'm Marie
7 Schumacher, resident and member of the
8 Taxpayers' Association. Mrs. Gatelli, two
9 weeks ago on January 27 you responded to a
10 question regarding the exact amount of the
11 city would be receiving upon completion of
12 the Single Tax Office forensic audit that we
13 will know within the next two weeks, so I'm
14 hopeful you will share that figure during
15 motions this evening.

16 Also, this one-time windfall helped
17 to plug the hole in the city structural
18 deficit for 2009, but what will plug the
19 whole in 2010? How much will taxes have to
20 be raised next year?

21 Also, what is the status of the home
22 Rule Charter Review?

23 MS. GATELLI: Attorney Minora is
24 still investigating that.

25 MS. SCHUMACHER: Okay, it definitely

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1 needs modification.

2 MR. MINORA: That can be initiated by
3 citizens in an initiative and referendum.

4 MS. SCHUMACHER: But Mrs. Gatelli
5 brought it up and Council can also do that
6 and she is the one that brought it up last
7 year, I believe.

8 MS. GATELLI: Yes, I would like to
9 see some of it changed and I was told we can
10 change it.

11 MS. SCHUMACHER: Motions. I got a
12 lot.

13 MS. GATELLI: We can change it.

14 MS. SCHUMACHER: In motion. Yes, I
15 know. The mayor has been made it clear that
16 his new South Side library is on his
17 stimulus project list, but where, oh, where
18 does the new Wildlife Center stand and the
19 city's priority list? I used to enjoy going
20 to the Wildlife Center before the largest of
21 the outdoor pens was split in half.
22 However, seeing those poor four large cats
23 in such a confined area breaks my heart.
24 When will this facility be upgraded and
25 where does it stand in the mayor's priority

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1 list?

2 Considering that the annual audit
3 set a new tardiness record this year and

4 since Mr. McGoff is retired, and like me has
5 a lot of free time on his hands I'm sure, I
6 would like to request -- I would like to
7 request that Mr. McGoff attend the next
8 meetings of each of the authorities to
9 request their cooperation in meeting the
10 auditor's time schedule in beginning a
11 dialogue on synchronizing fiscal years and
12 audit reports.

13 As council debates the KOZ and
14 KOEZ's extensions, I would like to make them
15 aware that last August during the
16 groundbreaking ceremony for the new
17 \$200 million hockey arena Mario Lemieux
18 admitted he never thought of moving the
19 Pittsburgh Penguins out of Pittsburgh yet
20 his threats to move the team got us
21 taxpayers to pick up the taxes for most of
22 this new arena. So a word to the wise,
23 don't believe every threat that you hear, it
24 may very well be an act.

25 Now, with respect to Boscov's, I

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1 certainly hope Boscov's succeeds. I'd like
2 it keep them here, but the most troubling
3 element to me is that the 108 loans transfer
4 the risk to the lowest and -- to the low and

5 middle income people because all of those
6 loans have to use as collateral future CDBG
7 funds, and if that loan should be defaulted
8 the CDBG money is reduced and there is no
9 money left for our low and middle income
10 people, so I would like to know how much is
11 left in our 108 fund? Does anybody know? I
12 mean, we know that it's five times the
13 annual allotment so it's roughly
14 \$150 million, but I'd like -- we have been
15 giving a lot of loans and I like to know
16 where that stands.

17 Also, I'm not really too thrilled by
18 the article that Mr. Haggerty wrote in the
19 Times-Tribune because to quote it, it says,
20 "A New York City retail consultant and
21 investment banker said, I don't put much
22 faith in the profit number. That always
23 happens when you go through a bankruptcy.
24 You have written down the value of your
25 entire inventory so you are a new company

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1 and your margin goes through the roof. At
2 the end of the day it's a deteriorating
3 business. The consumer is in the biggest
4 trade down effect in history, he said. The

5 relevant number is Boscov's continued loss
6 of market share and customers."

7 So I think that also has to be
8 factored into the equation. And the ice
9 rink, the city bought three of those ice
10 rinks, one was to have been in Harmond
11 Field, when will the one at Harmond Field be
12 placed and where is the third?

13 MR. MCGOFF: I can ask. I have no
14 idea.

15 MS. SCHUMACHER: Maybe somebody could
16 call Parks and Rec and get an answer?

17 MR. MCGOFF: I will.

18 MS. SCHUMACHER: Thank you.

19 MR. MCGOFF: Any other speakers?
20 Mr. Dobson.

21 MR. DOBSON: Good evening, Council,
22 Dave Dobson, resident of Scranton, associate
23 of the Taxpayers'. Last week we discussed
24 and had a caucus on Channel 61, absolutely I
25 tried when I got home to get -- I have a set

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1 top box and I have a straight cable line
2 into another television, that comes with the
3 minimum. You have to pay extra for the set
4 top box, it's \$17 a month or something like
5 that, and absolutely Channel 61 is not

6 available through regular cable, so as you
7 are going along here you want to possibly
8 include that in your negotiations to get
9 Channel 61 out to everybody that is willing
10 to pay for basic cable service because it's
11 not available unless you have the set top
12 box and that puts you out about \$35 or \$40 a
13 month depending on how much they raise their
14 rates. I think it's going to be go up 5 or
15 6 bucks.

16 Moving on, I'd also like to speak
17 about the School for the Deaf and the
18 medical school. It seems I read an article
19 last week that \$5 million is being withdrawn
20 by the state from the medical school, for
21 the medical school appropriations or grants,
22 and I really wish you people would get in
23 touch with the governor and anybody else
24 ought there. A man had a great idea, get
25 1,000 people standing behind you because for

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1 one thing irregardless of whether you agree
2 or disagreed, per se, with the medical
3 school, we were told one thing and now it's
4 another and who picks up the tab? Somewhere
5 along the line is Scranton going to be asked

6 to come up with another \$5 million because
7 the state pulled the carpet, and I really
8 don't think that's right. It's a real shame
9 that somebody should start a program and
10 then pull the carpet in the middle of it.
11 You really shouldn't do that. They should
12 find cuts somewhere else. Once they promise
13 something and gotten somebody involved and
14 go out on a limb for the money then the
15 money they should stand behind their
16 promises.

17 And one other thing tonight been
18 name calling and so forth, I try not to call
19 people any names and I don't get any mean
20 letters, you know. I wish somebody sent me
21 a mean letter so I would have something to
22 grip about this week, but they should really
23 view that tape and listen to what they were
24 calling people and maybe they deserve a mean
25 letter, I don't know. Thank you and have a

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1 good night.

2 MR. MCGOFF: Maybe Mr. Dobson is one
3 of the Southsiders. Anyone else? Mr.
4 Ellman? Welcome.

5 MR. ELLMAN: Ronnie Ellman, homeowner
6 and member of the Taxpayers' Association. I

7 just got here just that second. Let me tell
8 you, I went out to my garage today to hook
9 up my battery charger to my old car and
10 there was water dripping from the snow, so I
11 went up on the roof to see what it was, I
12 fell through the roof, so I'm rather
13 irritable. I guess I take my wrath out on
14 my usually victims, you know.

15 You know, I was coming down here and
16 I'm thinking what do I have to look forward
17 to around here? I got this conman trying to
18 get \$3 million off of us and bragging about
19 all of the money he made and Christmas, I
20 don't understand you're thinking of eve
21 considering giving him anything.

22 Then last week I listened to
23 Reverend Simmons say how great the man
24 downstairs is I guess because he takes his
25 tie off and has a hot doing with Joe

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1 Snedeker Memorial Day that makes him one of
2 us, but if he loves the poor so much why did
3 he take the park away from the kids? I have
4 talked to little kids and asking me what
5 they are going to do, you know, one or two
6 at the grocery store. I don't know. I

7 didn't take it away from them, you know,
8 it's -- the mayor wants to evict 700 people
9 like he did across the street from the
10 college, and she is worried, you know, about
11 Obama and things. She ought to take care of
12 her flock here in town if you ask me.

13 Then I got this old dinosaur that I
14 don't like to start with, Burke, you know,
15 saying we need more KOZ's, well, what we
16 need is some taxpayers, some people to pay
17 taxes. We got three or 400 KOZ's and if you
18 ask the Single Tax Office what they are done
19 they don't have much good to report. We do
20 not need any more KOZ's, you know. The
21 governor has just turned -- given the
22 utilities a cart blanche to charge whatever
23 they want and every time I go someplace I
24 talk to someone that says they don't know
25 how they are going to make it that's like I

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1 am retired and so on.

2 Then we got the exalted one
3 downstairs, he says we need to spend more
4 money on Nay Aug. We don't need to spend it
5 on the police and the firemen or buy garbage
6 trucks, you know, but we'll spend it on the
7 park. You know, it's like I said a couple

8 of weeks ago, the city is just going to
9 circles and nothing is being -- there is no
10 progress.

11 You know, my good friends, you
12 people out there I guess, everybody else is
13 mad at me, we have spent what, a couple of
14 hundred million dollars in this city and
15 what did we buy? Did we buy toilet paper?
16 Light bulbs? Where did the money go?
17 People keep asking where in the world the
18 money went? There is just, you know, it's
19 just -- that's a monumental waste of money
20 goes out every day. It's just padded
21 payrolls and friend on payrolls and giving
22 money to Boscov, then we borrow \$240,000
23 from Friendship House that is having a
24 fundraiser. It doesn't make sense what goes
25 on, you know, it's just -- I'll tell you,

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1 I'm glad my time is almost up because this
2 will just drive me to drink, you know, and I
3 got an excuse to go over to the club right
4 now I think.

5 MR. COURTRIGHT: And have that
6 conversation in the men's room you always
7 have.

8 MR. ELLMAN: Somebody always talks
9 to me in there. It's like an office for me.
10 Thank you very much, Council.

11 MR. COURTRIGHT: Thank you, Mr.
12 Ellman. Anyone else? Chris.

13 MR. SLEDENZSKI: Hello, Bill.

14 MR. COURTRIGHT: Hi, Chris.

15 MR. SLEDENZSKI: I'll pull it down a
16 little bit. Hey, Bill, what about that fire
17 last week in West side. It was dangerous
18 one, wasn't it?

19 MR. COURTRIGHT: Yes, it was.

20 MR. SLEDENZSKI: You guys did a good
21 job. Dave. Hey, Dave. Good job, did a
22 good one. Dave, hey, Dave. Good job, I'm
23 proud of you. Keep it up downstairs, will
24 you? All of you guys down there.

25 MR. GERVASI: Thanks, Chris.

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1 MR. SLEDENZSKI: You are welcome.

2 MR. MCGOFF: Thank you, Chris.

3 MS. KRAKE: Good evening, Council.
4 My name is Nancy Krake. I'd like to
5 continue with my explanation of the remarks
6 that were made when Mrs. Evans tried to
7 amend the resolution that gives very
8 prohibitive costs to delinquent real estate

9 taxes. I was up to the part where Mrs.
10 Gatelli was making the remark about
11 sheriff's sales. The county does not have a
12 sheriff's sale and neither does the City of
13 Scranton. We never have. The city has a
14 sale, city treasurer's sale, and that's for
15 quiet title. The county has a quick claim
16 or judicial sale. They are not sheriff's
17 sale. You do not get clear title when you
18 go through either one of those sales. So,
19 therefore, they are not used to take homes
20 which is the whole point. With the city and
21 city treasurer's sale that goes hand-in-hand
22 with the Pittsburgh Plan.

23 If you buy a property at the City
24 Treasurer's sale it's just for that one year
25 of delinquent taxes and then the property

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1 owners have a year to redeem. So, once
2 again I do believe Mrs. Evans and
3 Mr. Courtright in agreeing with her were
4 very right in trying to amend that
5 ordinance.

6 Also, Mrs. Gatelli made remarks how
7 the county always got their money. Well,
8 they got their money sooner than the city,

9 not that they always got it, they just got
10 it sooner because they had a tax sale after
11 one year. In our sale we would lien in two
12 years and then have the sale the following
13 June. We got our money the same as the
14 county, we just got it a little bit later.

15 These are all things that I had
16 brought up before the last two times when
17 Mrs. Evans or this resolution came before
18 council. I tried to explain them to
19 everyone, I know they are true, but still I
20 got -- I just seem to hit a brick wall with
21 three members of council. You were given
22 misinformation.

23 I'd also like to know, last week I
24 asked if council would find out how much
25 wage tax had been collected for the past two

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1 years and/or disbursed to the city. Did
2 anyone ask that question?

3 MR. MCGOFF: I did not, I'm sorry.

4 MS. EVANS: I believe letters or a
5 letter would have been sent because I made
6 that request after last week's meeting, but
7 I don't have any response tonight.

8 MS. KRAKE: Okay. I hope you will
9 for next week. I'm sure it's going to be

10 very close to the amount of money Mrs. Evans
11 had allotted in her past budgets. Like I
12 said, those monies came in because the FBI
13 was at the Single Tax Office.

14 Now, all that being said, council is
15 very adamant per the mayor in enforcing the
16 real estate tax. We have nothing to enforce
17 the collection of wage tax. It doesn't seem
18 to bother any of the people who are adamant
19 in collecting the real estate tax though.
20 This is very, very unfair. In fact, if you
21 had been diligent in collecting the wage tax
22 you would not have needed to raise taxes in
23 the budget at all.

24 I would also like to know if
25 Boscov's is current in their mercantile tax

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1 payments. I don't think they should be
2 afforded any more monies unless they are
3 current in everything they owe. Once again,
4 if you are considering giving Mr. Boscov the
5 money and considering continuing not to
6 enforce the collection of wage tax since we
7 haven't collected it diligently in the past
8 eight years, then you should be just as
9 generous to the citizens of this city who

10 cannot afford to pay their homeowners' tax
11 and that you are allowing a sheriff's sale
12 to sit on the books even though you are
13 saying you are not going to use it, it's
14 still there, that would actually take their
15 home away.

16 And I have one more unrelated item,
17 we still do not have an HVAC inspector and
18 it's been a year in the City of Scranton. I
19 don't know if anyone on council is aware of
20 this, I did mention it several times, we are
21 using an outside company, Building
22 Inspection Underwriters I believe is the
23 name I'm seeing. They are also doing our
24 plan reviews and in the past the head of
25 that department, license and inspections,

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1 would do the plan reviews in that regard and
2 that brought in an significant amount of
3 money since that person is unable to do with
4 the new head of that department we are
5 losing that revenue. Thank you.

6 MR. MCGOFF: Thank you, Mrs. Krake.
7 Anyone else? Thank you. Mrs. Evans?

8 MS. EVANS: Good evening. Like so
9 many others, I was outraged to learn that
10 state funding for the Scranton State School

11 for the Deaf has been cut by the governor's
12 proposed budget. Education of the deaf
13 should always be supported and is a greater
14 priority in my opinion than corporate
15 bailouts in Pennsylvania. If state funding
16 is, indeed, cut, then in order to remain
17 open of the cost may transfer to individual
18 school districts which in turn will cause
19 school taxes to rise.

20 Therefore, with the agreement of my
21 council colleagues, I would like letters
22 sent to Governor Rendell, Senator Mellow and
23 State Representatives Murphy and Smith
24 stating Scranton City Council's opposition
25 to state funding cuts for the Scranton State

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1 School for the Deaf and asking them to
2 oppose this item of the proposed budget and
3 to support continued state funding of this
4 educational institution. Is that agreeable?

5 MR. MCGOFF: Any opposition to that?

6 MS. FANUCCI: I'm not sure if I
7 should obtain from the governor's letter
8 just because it's my day job, so I will
9 abstain from voting on this if that's all
10 right. Mr. Courtright?

11 MR. COURTRIGHT: That's fine.

12 MS. EVANS: We are not really voting
13 on it.

14 MS. FANUCCI: Well, the problem is if
15 my name is on the letter that would be a
16 conflict of interest, so just if I can
17 abstain from my name being and the letter.

18 MS. EVANS: For the governor?

19 MS. FANUCCI: Yes.

20 MS. EVANS: Or for all of the four
21 letters?

22 MS. FANUCCI: For all four letters,
23 let's do.

24 MS. EVANS: Thank you. Over the last
25 few weeks I have reported the long-term debt

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1 of our city, it is a very serious and
2 troubling problem about which we all need to
3 know more. Consequently, I reviewed the
4 2001 independent audit of the final year of
5 the Connors' administration in order to
6 better track the finances of Scranton.

7 These are the results:

8 In December 31, 2001, the long-term
9 debt of the city and it's authorities was
10 \$75,667,987. In December 2007, only six
11 years into the Doherty administration, the

12 long-term debt of the city and it's
13 authorities stands at \$273,340,228.
14 Seventy-five million in 2001 and 273 million
15 in 2007. This is an increase of nearly
16 \$200 million or four times the amount in
17 long-term debt in six years.

18 Also, the principle debt of the city
19 and it's authorities in 2001 was
20 \$35,925,000. The principle debt in 2007 is
21 \$159,162,385. This is an increase of over
22 123 million or over four times the amount of
23 the principle at the time.

24 Further, the 2001 audit includes a
25 \$2.9 million surplus passed onto

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1 Mr. Doherty. Now, supporters of the Doherty
2 debt will tell you we have a new police
3 headquarters, four renovated parks, a new
4 DPW, which incidentally the city doesn't
5 own, three parking garages of which two are
6 largely for use by private business, the
7 Hilton Hotel and the Connell building. Do
8 these projects amount to nearly \$200 million
9 of increased debt? I don't believe so. And
10 please note that projects such as Lackawanna
11 Avenue, the Southern Union Building, the

12 East Market Street bridge, and Lackawanna
13 Avenue Bridge, etcetera, are largely funded
14 through the federal and state governments.
15 Even the new medical school is funded
16 through federal, state and private sources,
17 thus, these projects don't put a dent in the
18 Doherty debt.

19 Further, the police and firefighters
20 have received no wage increases in seven
21 years. How did one mayor and his council
22 members amass nearly \$200 million in debt in
23 six years? And remember, that \$200 million
24 doesn't include 2008 and 2009 debt. It
25 appears that 100 forced retirements, double

85

1 pensions, pay to play professional service
2 contracts, cabinet and, management raises,
3 job creations, legal fees to fight the
4 unions, consultants and incessant training,
5 four by eight signs, ad campaigns, a PR firm
6 to highlight the mayor and spin the news,
7 are equally part of the Doherty debt, and
8 despite the 25.6 tax -- 25.6 percent tax
9 increase in 2007, the Doherty debt continued
10 to grow through unbridled BS, borrowing and
11 spending. The average person needs to
12 remember that the long-term Connors' debt

13 was \$75 million, and the long-term Doherty
14 debt is \$273 million and still growing and
15 we are all responsible to pay the Doherty
16 debt until 2039.

17 On a related topic, the independent
18 audit of the Scranton Tax Office is due this
19 month, however, to date council has not
20 received a copy of the audit and has not
21 been notified of a dispersement date for
22 taxes owed to the city from the
23 \$12.5 million account.

24 The last few days have seen the
25 Court ruling regarding the Scranton police

86

1 union way was no surprise in light of a
2 similar ruling concerning the firefighters'
3 union. The statements made by the mayor
4 mirror his lack of expertise and the absence
5 of an independent public safety study. Ask
6 Coatsville, Reading, and Wilkes-Barre
7 residents about the crime and arsons that
8 have occurred because politicians with no
9 experience in public safety handle police
10 and fire staffing unwisely.

11 The mayor seems to believe that
12 Scranton does not need additional police

13 officers and doesn't need some of it's fire
14 stations. Well, I'm very anxious to see
15 which neighborhoods are willing to give up
16 police protection and their fire stations
17 while it's residents pay increased taxes for
18 the Doherty debt. In effect, we will pay
19 more taxes for less public safety and
20 service thanks to this administration.

21 Next, item 5-B of the \$3 million
22 loan to Boscov's is a controversial issue
23 which I will address during the voting
24 portion of tonight's meeting.

25 And, finally, I have some citizens'

87

1 request for the week. City residents
2 request that debris blocking catch basins
3 and causing water to pond and freeze be
4 cleared throughout the city.

5 Residents of West Scranton request
6 the installation of new "no turn on red"
7 signs at all four corners of the
8 intersection Luzerne Street and South Main
9 Avenue.

10 Did the city hire a part-time animal
11 control officer? Residents of Woodlawn
12 Street are experiencing skunk problems and
13 need some help as soon as possible. The

14 mayor agreed to allocate \$10,000 to skunk
15 removal in the city according to Mrs.
16 Gatelli and more problems will only be
17 forthcoming as warmer weather approaches.

18 City residents request that a
19 garbage pickup schedule would be posted on
20 Channel 61 through ECTV. Holidays often
21 confuse the schedule, particularly since
22 city hall is not closed on all holidays. I
23 know that Dunmore mails an annual schedule
24 for trash and recycling pickup to all
25 Dunmore residents. This can be an expensive

88

1 undertaking for a city of Scranton's size,
2 therefore, council would ask that Mr. Brazil
3 provide a schedule to ECTV for broadcast.

4 And I did speak with one of the
5 audience members tonight about the proposed
6 projects for the stimulus package and
7 council discussed that earlier this evening
8 in caucus and at next week's meeting I would
9 be very happy to publically read the list of
10 projects proposed by city council to the
11 mayor for inclusion in the stimulus package.
12 And that's it.

13 MR. MCGOFF: Thank you, Mrs. Evans.

14 Mrs. Gatelli.

15 MS. GATELLI: The first thing I have
16 is I had Mrs. Garvey call some other police
17 departments to see if they used AED's in
18 their police cars. Bethlehem, all of the
19 police cars have AED's. In Allentown only
20 the paddy wagon does. In Reading, they
21 don't have any in the police cars but they
22 have an ambulance that's run by the fire
23 department. Easton, some do and some don't,
24 and Wilkes-Barre doesn't have any. So,
25 Mr. Courtright, you might want to check into

89

1 it.

2 MR. COURTRIGHT: We sent a letter to
3 Mr. Hayes. We got no response though, so --

4 MS. GATELLI: I noticed that some of
5 the letters went out later in the week, so
6 maybe we'll have an answer by next week.
7 Did you talk about the School for the Deaf?

8 MS. EVANS: Yes.

9 MS. GATELLI: You did a motion?

10 MS. EVANS: Uh-huh.

11 MS. GATELLI: Put my name on that
12 motion, please.

13 MS. EVANS: Well, we didn't do a
14 motion, I just asked that letters be sent.

15 MS. GATELLI: All right. Okay,
16 good. Well, I echo my colleagues on that
17 one. Also, I wanted to send a letter on the
18 forensic audit, did you do that?

19 MS. EVANS: No.

20 MS. GATELLI: I'd like to send a
21 letter on behalf of council to
22 Mrs. Vitali-Flynn asking her when are we
23 getting a copy of the audit and when do they
24 expect to disperse the funds. Then if you
25 can please carry that down the street so we

90

1 can get an answer quickly. Please, Kay, if
2 you could send that out right away.

3 Also, a letter to the governor about
4 removing the money for the medical school,
5 did you do that?

6 MS. EVANS: No.

7 MS. GATELLI: No. I'm sorry, I was
8 gone to the bathroom and I didn't hear what
9 you said. I'd also like with my colleagues'
10 approval to send a letter to the governor
11 that no money be removed from the medical
12 school.

13 I reported there is a small mine
14 subsidence in the 2600 block of Pittston

15 Avenue and I notified Mr. Brazil about that.
16 There had been one there years ago and it
17 appears to be coming back. I'd also like to
18 thank them for fixing the pave cut that was
19 disturbed on the 1100 block of Dartmouth
20 Street. The sidewalks were cleaned on the
21 Sanderson Avenue bridge. Of course, the
22 warm weather is going to help with that.

23 I talked to Mr. Brazil about paving
24 in the Plot section when the flood project
25 is complete, he said that is on the 2009

91

1 paving list. And also I believe that they
2 are going to be requesting some paving money
3 out of the stimulus funds from President
4 Obama.

5 The Parker Street bridge, Mr. Brazil
6 is meeting with the engineer on that
7 tomorrow. As you know, there is only one
8 lane open so it's creating quite a problem
9 down in the Plot section.

10 On the corner of Sanderson and Glenn
11 there is a catch basin that needs cleaning
12 so we will send that, also.

13 I would just like to address a few
14 of the comments. First of all, I'd like to
15 make some comments about Mrs. Williams and

16 about Reverend Simmons and what they had to
17 say last week. I know that when Mrs.
18 Williams came to the room quite a few people
19 snickered at her and made some comments,
20 although I couldn't hear what they were
21 saying, they were making some gestures to
22 her. I know that a lot of times people
23 don't agree with each other, and that's
24 okay, that's what the world is made of, we
25 are not all going to agree on everything,

92

1 but I do see her point in what she said
2 about, you know, people mistreating people
3 that don't happen to agree with your ideals
4 or what you believe in.

5 Reverend Simmons also stated that
6 she got a phone call from someone that she
7 wasn't allowed to say anything kind, and I
8 just want to say that I don't think that's
9 right. Everyone that comes here is
10 respected hopefully and it's always better
11 if you talk it out. If you talk nice, the
12 other people will talk nice. I know it's
13 hard to do sometimes especially when you up
14 here and people will calling you names and
15 it's very difficult, I'll be the first one

16 to admit that. I don't like to be called
17 names I don't like my family to be called
18 names, but if we don't all try to work
19 together we are certainly not going to make
20 the city any better for it.

21 I think that's part of what the new
22 president is trying to stress. I watched
23 him last night on television and he tries to
24 tell everybody what it's all about and to
25 include everybody, and I think he is doing

93

1 the right thing. I think if people are
2 included and people are part of the solution
3 then it helps and you have to be open to
4 other people's opinions. I mean, if you
5 don't agree with them, if you don't agree
6 with Mrs. Williams or Reverend Simmons
7 that's okay, but I think they have as much
8 right as anyone else in here to come to that
9 podium and say what they think, and I don't
10 think that they should be ridiculed or
11 hissed at or some of the shenanigans that
12 were going on back there. I just don't
13 think that's nice and it might prevent other
14 people from coming here that would like to
15 come and speak to council.

16 So I think everyone should be

17 welcome here whether they agree with me,
18 you, Janet, Bob or whatever. I mean, most
19 of the time we see you out in the hall
20 afterwards, nobody has any hard feelings.
21 We try to get along with everybody.

22 And the other thing about the South
23 Side neighborhood, there are many
24 neighborhoods that still meet, I don't
25 really know what Mr. Quinn is talking about.

94

1 Minooka is starting a new group, Keyser
2 Valley meets, Weston Field meets, North
3 Scranton meets, South Side meets all of the
4 time, the Hill still meets, so if you are
5 saying that the neighborhoods are dead, you
6 know, he is misinformed. We have not had a
7 Council of Neighborhoods meeting in quite
8 sometime. I don't know why they are not
9 having them, they probably should, we have
10 always had them, but I don't know why there
11 isn't. Mary Alice Burke is the president of
12 that particular group and I know she still
13 does her neighborhood meetings, but I know
14 her mom is very ill, too, so maybe that's
15 why she hadn't called a meeting in a long
16 time.

18 South Scranton, and now it's United
19 Neighborhood Centers and it's helping all of
20 that people in that particular neighborhood
21 and the Senior Center for South Scranton is
22 located in there.

23 So, yes, I'm very proud of the
24 project in South Scranton, but if you think
25 it happened because I'm sitting here, you

96

1 are very wrong. It's the work of many
2 people, Wayne Evans, Mike Hanley from United
3 Neighborhood Centers, Scranton Tomorrow,
4 Charlie Spano, Susan Andres. I mean, I
5 could give you a list of 100 people that
6 have been working on that for the last
7 five years, six years, seven years we have
8 been trying to get a program over there.

9 Two inspectors, the two new
10 inspectors they are not in South Side, there
11 is one in the plot and there is one in South
12 Side, so I would just like to correct those
13 misconceptions that people try to throw out
14 there.

15 Also, I know when we originally sent
16 a letter supporting the program over to OECD
17 I was not aware that it was going to be

18 strictly for South Scranton, and when I
19 spoke to Mrs. Aebli about it she said it
20 really isn't strictly for South Scranton.
21 However, when you fill out the application
22 it's on a point system. We are going to get
23 this money according to points, and if you
24 use a redevelopment project that's already
25 in place as one of your criteria you will

97

1 get 20 extra points, so that is why they are
2 putting it over there because you get 20
3 extra points if it's in the Elm Street
4 project, not necessarily that all of the
5 money has to be used in South Scranton. So
6 I just wanted to explain that.

7 Anyone is eligible to apply for the
8 Elm Street funds, you just have to have the
9 wherewithal and the people in that
10 neighborhood that are going to get together
11 and sit down and work on it. It is a long
12 procedure and it takes many years before it
13 comes to fruition. So, once again, if
14 anyone is interested you can come to the
15 South Side neighborhood meeting and United
16 Neighborhood Centers and we can certainly
17 put you on the track to filling out the
18 application to start the process.

19 And it's ironic because when I
20 worked for Jimmy Connors upstairs in COM-D I
21 spent all of my time in the Hill Section,
22 all of the money went to the Hill, all of
23 the condemnations were in the Hill because
24 the Hill was having bad time back then, and
25 the problem just moved and moved around the

98

1 corner to South Scranton, to my
2 neighborhood, so that's sometimes what
3 happens, you just move the problem.

4 So other neighborhoods should be
5 very vigilant about what's happening in
6 their neighborhood because it might be
7 happening to your neighborhood next and if
8 you don't stay on top of it, it becomes
9 overwhelming like it did in South Scranton
10 and it's very hard to come out of that once
11 you get that label, you know. Now there is
12 a label there that it's distressed and, you
13 know, high crime and drugs and it's very
14 hard to get rid of that image. Hopefully,
15 with the Elm Street program coming in, we
16 are praying that we can get it, and this
17 grant to help we will help to change the
18 image of our wonderful community of South

19 Scranton, and I'm asking my colleagues to
20 please consider all of these things when you
21 were voting on this tonight.

22 It is a neighborhood that is at a
23 crossroads and if we don't get these funds
24 and get the Elm Street project our
25 neighborhood is not going to survive, so I'm

99

1 begging my colleagues to please give this
2 their utmost consideration and I certainly
3 would approve it if it were their
4 neighborhood. Thank you.

5 MR. MCGOFF: Thank you, Mrs. Gatelli.
6 Mrs. Fanucci?

7 MS. FANUCCI: I am going to speak on
8 one subject, which is the Boscov's loan, and
9 as everybody was here tonight we weren't
10 planning on having him come to the meeting
11 which worked out I think really wonderful
12 that we got to have them present in front of
13 everyone. There is no doubt that I am going
14 to support this. Never was. He has been a
15 leader in our community for years.

16 Mr. Quinn got up and stated about
17 campaigns that he has contributed to which I
18 wish he talked about all of the other
19 contributions Mr. Boscov's has made to our

20 area, all of the wonderful money he has
21 given to programs all over the city and all
22 over the state actually, so it actually is
23 disheartening to hear that, of course, one
24 side to every story, that's always the one,
25 not the fact that the man has given

100

1 countless amounts of dollars to charity and
2 to children and to elderly, and so that
3 actually made me a little sad.

4 It's prudent to me that we keep
5 downtown going. We need to keep the jobs in
6 our city at this time and in the way the
7 economy is right now it is just not even a
8 thought. We have to do everything we can to
9 keep what we have and to keep creating more.
10 It's the only the way that we are going
11 forward. It's wonderful to put curbs in and
12 sidewalks and pave the streets, which is a
13 great idea, except if you are not having
14 people here who are working, paying taxes
15 and actually living life in the city it
16 certainly doesn't matter that your curbs are
17 nice and next time around we are not going
18 to have the money to repave. So, that's
19 what you want to do, you want to keep it

20 going.

21 And that is all I have, and I'm so
22 glad I can entertain Mr. Gervasi for the
23 evening. Thank you.

24 MR. GERVASI: Excuse me?

25 MS. FANUCCI: Oh, David. That's so

101

1 ignorant.

2 MR. GERVASI: I'm having a
3 conversation.

4 MS. FANUCCI: Oh, I saw.

5 MR. MCGOFF: Okay. Please.

6 MS. FANUCCI: I saw.

7 MR. GERVASI: There is something
8 seriously wrong with you.

9 MR. MCGOFF: Please.

10 MR. COURTRIGHT: All right. Last
11 week there was discussion about KOZ's and t
12 promptly I got two phone calls from citizens
13 and both of them had something similar to
14 say. They were discussed with the KOZ's and
15 they were saying, you know, how come if --
16 how come we don't get a break? How come the
17 people don't get a break, you know, if we
18 put new curbs in or sidewalks in front of
19 our house, so I think a lot of people out
20 there are a little bit frustrated with the

21 KOZ's and we will be discussing the project
22 coming up next week and see where we go from
23 there. I think we all have our own opinion
24 on it.

25 I forget which speaker asked last

102

1 week, but some speaker asked about if
2 Channel -- well, ECTV, I'll just call it
3 Channel 61, if ECTV would play the council
4 meetings more often in the prime time and
5 the answer that I received is absolutely
6 not. I didn't speak to him directly, Kay,
7 you spoke to them on my behalf and he said
8 absolutely not. So, there is your answer.

9 Mr. Quinn brought up about a project
10 that I had talked about on Main Avenue in
11 West Scranton, I think it's going on four
12 years now I have asked about it, and it
13 hasn't come to be, but I do want to thank
14 Congressman Kanjorski because I believe it
15 was about two years ago he took the time
16 out, he came out to West Scranton and we
17 walked up and down the avenue, he saw the
18 large volume of vehicles that traveled that
19 street and he was more than willing to help
20 us, but I think the project has died for

22 don't know, it was two or three years ago,
23 and I thought at that time Mr. Hayes was in
24 favor of it. We had a meeting right here
25 and I thought everybody was in favor of it,

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1 and I believe Mr. Hayes when I asked him if
2 he thought the mayor was going to go for it,
3 I can't remember his exact words, but it was
4 something to the effect that he doesn't pay
5 me, you know, to do this job and not listen
6 to me, but the mayor wasn't in favor of it,
7 so that program never took place.

8 But the vehicles, the police
9 vehicles had the AED's on them and many
10 times they were dispatched. It wasn't --
11 they weren't having them in the vehicles
12 just if a call -- they happened to be on a
13 call and there is an AED if there is a
14 problem and they knew there was an AED on
15 each side of the river, at least one on each
16 side of the river, I think there were more
17 at the time, that they would actually go to
18 the call, and that's why I think it's -- I
19 thank you for looking it up I think, it's
20 very important.

21 We sent a letter out, we haven't

22 gotten it back yet, maybe it won't be out a
23 little bit late, I'll wait and see if we get
24 a response, but I will stay on top of it.

25 Also, Les Spindler brought up about

105

1 the Ford dealership, I didn't get an
2 opportunity to do that this week, I'll try
3 tomorrow just to see because that is
4 problem, the cars are parked all the way out
5 in the street so you do have to walk out on
6 the road. I would imagine it would be
7 possibly licensing and inspections that
8 would have to take a look at that, but I'll
9 make a call tomorrow on that, and that's all
10 I have. Thank you.

11 MR. MCGOFF: Thank you,
12 Mr. Courtright. Two things very quickly,
13 Mr. Ungvarsky asked a number of times about,
14 I don't know if it's pronounced Seccus or
15 Seacus, LLC, and the information that I
16 received is Seacus, LLC, received or funds
17 were dispersed with \$70,000 on November 2,
18 2007, and as part of the agreement they were
19 to provide ten positions, ten jobs which
20 will be, as they said, will be created for
21 technical programming and administrative
22 posts. They I am told currently have an

23 office in the Diversified building and are
24 operational. That's the information -- that
25 is the information that I have.

106

1 And the second thing, I want to
2 thank Mrs. Schumacher for volunteering my
3 time, but I did want to remind you that we
4 only get paid for attending Tuesday night
5 meetings, so I don't think that -- thank
6 you. Mrs. Garvey.

7 MS. GARVEY: FIFTH ORDER. 5-B. FOR
8 INTRODUCTION - AN ORDINANCE - AUTHORIZING
9 THE MAYOR AND OTHER APPROPRIATE OFFICIALS
10 FOR THE CITY OF SCRANTON TO MAKE APPLICATION
11 TO THE UNITED STATES DEPARTMENT OF HOUSING
12 AND URBAN DEVELOPMENT ("HUD") FOR A SECTION
13 108 FEDERAL LOAN GUARANTEE IN THE AMOUNT OF
14 THREE MILLION DOLLARS (\$3,000,000.00) AND IF
15 SUCH APPLICATION IS SUCCESSFUL, TO ACCEPT
16 THE LOAN PROCEEDS AND DISTRIBUTE THEM TO
17 BOSCOV'S, INC. FOR AN ELIGIBLE PROJECT, AND
18 FURTHER TO AMEND THE CITY OF SCRANTON'S
19 CONSOLIDATED PLAN FILED IN 2004 AND THE
20 FISCAL YEAR 2009 ANNUAL ACTION PLAN FOR THE
21 COMMUNITY DEVELOPMENT BLOCK GRANT ("CDBG")
22 PROGRAM TO INCLUDE AND PERMIT SUCH SECTION

23 108 APPLICATION AND LOAN ACTIVITIES.

24 MR. MCGOFF: At this time I'll
25 entertain a motion that Item 5-B be

107

1 introduced into it's proper committee.

2 MR. COURTRIGHT: So moved.

3 MS. FANUCCI: Second.

4 MR. MCGOFF: On the question?

5 MS. EVANS: Yes. This is a very
6 weighty issue. I do understand that
7 Boscov's is the anchor of the Steamtown Mall
8 and that the Steamtown Mall employs several
9 hundred individuals. At the same time, as I
10 look around the city, including the downtown
11 over the last three or four years, I know
12 that there are many businesses who are no
13 longer there. Leonard's Hardware, Hoban's.
14 If you go down to Greenridge in the
15 Greenridge Shopping Plaza Hill's Department
16 Store went out of business. It was replaced
17 by another department chain and, of course,
18 they didn't succeed and I believe now it's
19 become Planet Fitness. So, so many
20 businesses, Quint's Army and Navy, and
21 Barbara Moss and Helen Schwartz and that
22 beautiful train store that used to be on
23 Lackawanna Avenue, where have they all gone

24 and who helped them? The city never tried
25 to help them.

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1 And I think, you know, if you
2 calculate all of the employees of all of
3 those closed businesses that we have lost
4 I'm sure we are looking at just as many, if
5 not more, and I was concerned about Boscov's
6 ability to pay this loan. As I said
7 earlier, I learned some information about
8 the questions that I posed concerning the
9 two Section 108 loans that the city pays
10 annually through CDBG monies, and as I said
11 earlier, the remaining amount for Boscov's
12 is \$5,102,000, that's not the loan we are
13 discussing this evening. The principle is
14 paid with a yearly payment in August, 2.5
15 million will be paid off by August of 2011,
16 and the remainder will be paid off by August
17 of 2024.

18 Mr. Boscov tonight very graciously
19 indicated that he will be finding out why
20 the city is paying on that original loan and
21 he is going to contact me and provide that
22 answer. He also indicated that not only
23 inventory, but property would be used as

24 collateral for this loan and that he
25 guarantees this loan will be repaid, and as

109

1 we were discussing privately inventory and
2 buildings owned by Mr. Boscov throughout the
3 State of Pennsylvania, Mr. Boscov offered to
4 include the Mall at Steamtown as part of the
5 collateral for this loan.

6 And so I'd like to investigate that
7 further and see if he is a man of his word
8 and if, indeed, it is worth having. At this
9 point I know that, you know, quite an amount
10 is owed until, as I said, the Year 2024 and
11 if, indeed, you know, the city in the event
12 of any type of foreclosure would become the
13 owner of that property these are all
14 questions that I would like answered by next
15 week.

16 A speaker tonight also asked if
17 Boscov's is current on it's mercantile tax
18 and, Kay, I would like to the answer to that
19 prior to next week's meeting as well, and to
20 be fair Mr. Boscov and his representatives
21 stated than Boscov's pays approximately
22 \$200,000 annually in city taxes, and so I'm
23 going to vote, yes, to introduce this
24 tonight. And in the mean time, I'm going to

25

be looking for the answers to the questions

110

1

and situations that I enumerated for you,

2

and if the answers are not satisfactory then

3

I don't believe I can support this, but if

4

Mr. Boscov is a man of his word and if these

5

answers are positive answers, then I'll

6

continue affirmatively.

7

MR. MCGOFF: Anyone else on the

8

question? All those in favor of

9

introduction signify by saying aye.

10

MS. EVANS: Aye.

11

MS. FANUCCI: Aye.

12

MS. GATELLI: Aye.

13

MR. COURTRIGHT: Aye.

14

MR. MCGOFF: Aye. Opposed? The

15

eyes have it and so moved.

16

MS. GARVEY: 5-C. FOR INTRODUCTION -

17

A RESOLUTION - RE-APPOINTMENT OF WILLIAM

18

LAZOR, 677 MARY STREET, SCRANTON,

19

PENNSYLVANIA, 18508, AS A MEMBER OF THE

20

BOARD OF THE SCRANTON REDEVELOPMENT

21

AUTHORITY FOR A TERM OF FIVE (5) YEARS. MR.

22

LAZOR'S CURRENT TERM EXPIRES ON MARCH 19,

23

2009 AND HIS NEW TERM WILL EXPIRE ON MARCH

24

19, 2014.

25

MR. MCGOFF: At this time I'll

111

1

entertain a motion that Item 5-C be

2

introduced into it's proper committee.

3

MR. COURTRIGHT: So moved.

4

MS. FANUCCI: Second.

5

MR. MCGOFF: On the question? All

6

in favor signify by saying aye.

7

MS. EVANS: Aye.

8

MS. FANUCCI: Aye.

9

MS. GATELLI: Aye.

10

MR. COURTRIGHT: Aye.

11

MR. MCGOFF: Aye. Opposed? The

12

eyes have it and so moved.

13

MS. GARVEY: 5-D. FOR INTRODUCTION -

14

A RESOLUTION - RE-APPOINTMENT OF PETER

15

RIEBE, 1315 SANDERSON AVENUE, SCRANTON,

16

PENNSYLVANIA, 18509, AS A MEMBER OF THE

17

BOARD OF THE SCRANTON REDEVELOPMENT

18

AUTHORITY FOR A TERM OF FIVE (5) YEARS. MR.

19

RIEBE'S CURRENT TERM EXPIRED ON FEBRUARY 4,

20

2009 AND HIS NEW TERM WILL EXPIRE ON

21

FEBRUARY 4, 2014.

22

MR. MCGOFF: At this time I'll

23

entertain a motion that Item 5-D be

24

introduced into it's proper committee.

25

MR. COURTRIGHT: So moved.

1 MS. FANUCCI: Second.

2 MR. MCGOFF: On the question? All
3 those in favor of introduction signify by
4 saying aye.

5 MS. EVANS: Aye.

6 MS. FANUCCI: Aye.

7 MS. GATELLI: Aye.

8 MR. COURTRIGHT: Aye.

9 MR. MCGOFF: Aye. Opposed? The
10 ayes have it and so moved.

11 MS. GARVEY: 5-E. FOR INTRODUCTION -
12 A RESOLUTION - AUTHORIZING THE MAYOR AND
13 OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE
14 AND ENTER INTO A MUNICIPAL-MAIN STREET
15 ORGANIZATION COOPERATION AGREEMENT BETWEEN
16 THE CITY OF SCRANTON ("MUNICIPALITY") AND
17 SCRANTON TOMORROW ("ORGANIZATION") IN ORDER
18 TO RECEIVE FUNDS FROM THE COMMONWEALTH OF
19 PENNSYLVANIA, DEPARTMENT OF ECONOMIC AND
20 COMMUNITY DEVELOPMENT ("DCED") TO ASSIST
21 WITH DOWNTOWN REVITALIZATION.

22 MR. MCGOFF: At this time I'll
23 entertain a motion that Item 5-E be
24 introduced into it's proper committee.

25 MR. COURTRIGHT: So moved.

1 MS. FANUCCI: Second.

2 MR. MCGOFF: On the question?

3 MS. EVANS: Does anyone know
4 specifically what downtown revitalization is
5 being referred to?

6 MR. MCGOFF: Specific -- there is a
7 map describing it I believe.

8 MR. COURTRIGHT: Last page of the
9 backup, the map is anyway. There is nothing
10 specific that's just a map of the area in
11 the backup.

12 MS. EVANS: Right. It's a map of the
13 area currently, but what is the downtown
14 revitalization that is proposed, does anyone
15 know?

16 MS. GATELLI: Well, it's a program
17 through the state, it's like the Elm Street
18 that we are doing, only it's for downtowns,
19 and they offer such things as facade grants
20 and things of that nature to revitalize
21 parts of the downtown that need help, to
22 small business owners.

23 MS. EVANS: I'd like to have that. I
24 would like to know what they are going to do
25 with it. That's all.

1 MS. GATELLI: That's what they do.

2 MS. FANUCCI: There is a certain --
3 yeah, there are certain criteria that you
4 have -- it has to be an old building or
5 something that is rehabbed or --

6 MS. GATELLI: To revitalize the
7 central business district.

8 MS. FANUCCI: Right.

9 MS. GATELLI: Once you are named that
10 then you can appoint a manager. You know,
11 like we used to have the downtown business
12 association and they took care of a lot of
13 the downtown, well, this would name a main
14 street manager at some point and that person
15 would be responsible for this area and
16 soliciting from people if they were
17 interested in facade grants or cleanups or
18 there is one I believe it was in Allentown I
19 went to years ago and they even had their
20 own cleanup crew, like they do on Broadway
21 now. There is a Broadway Business District,
22 a neighborhood improvement district on
23 Broadway, I'm sure you see them cleaning up,
24 you know, they have their own logo and
25 everything. It would be similar to that

1 where you could get grants to help
2 revitalize the downtown of the small
3 businesses, things of that nature.

4 MR. MCGOFF: Anyone else on the
5 question? All those in favor of
6 introduction signify by saying aye.

7 MS. EVANS: Aye.

8 MS. FANUCCI: Aye.

9 MS. GATELLI: Aye.

10 MR. COURTRIGHT: Aye.

11 MR. MCGOFF: Aye. Opposed? The
12 ayes have it and so moved.

13 MS. GARVEY: We need a motion for a
14 public hearing.

15 MR. MCGOFF: I'm sorry. I'd like to
16 make a motion to authorize the city clerk to
17 make arrangements to schedule a public
18 hearing for next Tuesday, February 17, 2009,
19 at 5:45 and to place the necessary
20 advertisement.

21 MR. COURTRIGHT: Second.

22 MR. MCGOFF: On the question? All
23 in favor signify by saying aye.

24 MS. EVANS: Aye.

25 MS. FANUCCI: Aye.

1 MS. GATELLI: Aye.

2 MR. COURTRIGHT: Aye.

3 MR. MCGOFF: Aye. Opposed? The
4 ayes have it and so moved.

5 MS. GARVEY: 5-F. FOR INTRODUCTION -
6 A RESOLUTION - AUTHORIZING THE MAYOR AND
7 OTHER APPROPRIATE CITY OF SCRANTON OFFICIALS
8 TO APPLY FOR AND EXECUTE A NEIGHBORHOOD
9 STABILIZATION PROGRAM (NSP) GRANT IN THE
10 AMOUNT OF THREE \$3,000,000.00 MILLION
11 DOLLARS THROUGH A PROGRAM OF THE
12 COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF
13 COMMUNITY AND ECONOMIC DEVELOPMENT (DCED),
14 AUTHORIZED AS PART OF H.R. 3221-THE HOUSING
15 AND ECONOMIC RECOVERY ACT, AND IF THE GRANT
16 APPLICATION IS SUCCESSFUL, ACCEPTING AND
17 DISBURSING THE GRANT FUNDS FOR THE "PROJECT"
18 TO BE NAMED "THE NEIGHBORHOOD STABILIZATION
19 PROGRAM" (NSP).

20 MR. MCGOFF: At this time I'll
21 entertain a motion that Item 5-F be
22 introduced into it's proper committee.

23 MR. COURTRIGHT: So moved.

24 MS. FANUCCI: Second.

25 MR. MCGOFF: On the question? All

1 those in favor signify by saying aye.

2 MS. EVANS: Aye.

3 MS. FANUCCI: Aye.

4 MS. GATELLI: Aye.

5 MR. COURTRIGHT: Aye.

6 MR. MCGOFF: Aye. Opposed? The
7 ayes have it and so moved.

8 MS. GARVEY: SIXTH ORDER. NO
9 BUSINESS AT THIS TIME. SEVENTH ORDER. 7-A.
10 FOR CONSIDERATION BY THE COMMITTEE ON RULES
11 - FOR ADOPTION - FILE OF COUNCIL NO. 60,
12 2009 - AUTHORIZING THE SALE AND TRANSFER OF
13 A PARCEL OF LAND ACQUIRED BY THE CITY
14 THROUGH THE FLOOD CONTROL PROJECT BY SEALED
15 BIDS TO THE HIGHEST BIDDER, PROPERTY MORE
16 COMMONLY KNOWN AS 620 RACE STREET, SCRANTON,
17 AND MORE FULLY DESCRIBED IN DEED DATED JULY
18 21, 2004, DULY RECORDED IN THE LACKAWANNA
19 COUNTY RECORDER OF DEEDS OFFICE IN RECORDS
20 BOOK 1278, PAGE 0002.

21 MR. MCGOFF: As Chairperson for the
22 Committee on Rules, I recommend final
23 passage of Item 7-A.

24 MR. COURTRIGHT: Second.

25 MR. MCGOFF: On the question? Roll

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call, please?

MR. COOLICAN: Mrs. Evans.

MS. EVANS: Yes.

MR. COOLICAN: Mrs. Gatelli.

MS. GATELLI. Yes.

MR. COOLICAN: Ms. Fanucci.

MS. FANUCCI: Yes.

MR. COOLICAN: Mr. Courtright.

MR. COURTRIGHT: Yes.

MR. COOLICAN: Mr. McGoff.

MR. MCGOFF: Yes. I hereby declare

Item 7-A legally and lawfully adopted.

At this time I'll entertain a motion
to adjourn.

MR. COURTRIGHT: So moved.

MR. MCGOFF: Thank you for your
participation.

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I hereby certify that the proceedings and

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evidence are contained fully and accurately in the

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notes of testimony taken by me at the hearing of the

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above-captioned matter and that the foregoing is a true

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and correct transcript of the same to the best of my

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ability.

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CATHENE S. NARDOZZI, RPR
OFFICIAL COURT REPORTER

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