

**LACKAWANNA COUNTY BOARD OF COMMISSIONERS**  
**REGULAR BOARD MEETING**  
 December 6, 2005

A regular meeting of the Board of Commissioners was held on Tuesday, December 6, 2005 in the Commissioners' Conference Room, Sixth Floor, 200 Adams Avenue, Scranton, Pennsylvania. The meeting was called to order at 10:00 AM with Commissioner Munchak presiding.

**PRESENT:** Commissioner A.J. Munchak  
 Commissioner Robert C. Cordaro  
 Commissioner Michael J. Washo

**DISCUSSION:** Commissioner Munchak stated that usually Item #3 is public comment regarding Agenda items only, but would like to turn this portion over to Commissioner Cordaro.

Commissioner Cordaro stated that Lackawanna County, under the Munchak Cordaro administration, has undertaken an arts and culture fee which has been designated to promote the arts, to promote culture in this County and certainly, as we reflect ourselves to the rest of the region and the rest of the country, one of the interesting efforts that we have had an opportunity to do is to assist and continue to assist in opening a film office for the City of Scranton, in conjunction with the Commonwealth of Pennsylvania and as part of that effort, our hometown hero, Paul Sorvino, is in the process of developing a movie and I will let him explain a little further. We are going to allot a portion of our Arts & Culture Fee; a total of \$250,000, to assist Mr. Sorvino in locating a film here in the City of Scranton and Lackawanna County. We look at this as a tremendous economic development opportunity for Lackawanna County; a very important effort to showcase our people, our places and all that we have to offer to the rest of the world. We have been very fortunate with Mr. Sorvino's adoption of Lackawanna County as his hometown and we want to point out that the City of Scranton is working with us on this project and they have committed a further \$250,000. Those two investments, and they are investments in the film, we do have an opportunity to get a return on those investments and certainly get all, or a portion of, our monies back. This is not a grant. Those two acts by the County and the City together, have assured that this film will be located here and filmed here. We are very excited about this opportunity and we think it is among the many opportunities; our mural arts program and so many other efforts that are being made possible by the Arts & Culture Fee.

Regina Peters, Education & Culture, stated that we are working with Americans for the Arts in Washington DC to further put Lackawanna County on the map. We are participating in the Americans for the Arts Economic Prosperity Study. We are working with the Pennsylvania Council on the Arts, the Humanities Council and have all recognized that we are leading a charge and I believe that the economic development that comes along with filmmaking; along with the excitement, because there is definitely excitement about filmmaking; the economic development that comes to us is incredible. Yesterday and I don't even know if I told Commissioner Munchak and Washo this because it was quite unexpected; the Scranton Film Office called me and said they had a team in from the Weather Channel and wanted permission to film on Montage Mountain. They are going to do, for the months beginning December 21 through March 21, a weekly show on the Weather Channel and the site is Montage Mountain. This person will be up at Montage Mountain talking about weather conditions throughout the country and broadcast nationally. I just spoke with Paige Balitski and they were so thrilled with the cooperation of the staff at Montage, this national crew, they could not get over it. They are staying here for three entire days in Lackawanna County at our hotels, eating in our restaurants; all of that has impact. The wonderful thing is that we are going to promote Montage Mountain every week on the Weather Channel. I am thrilled that Mr. Sorvino calls Scranton and Lackawanna County his second home and I pledge, as does the Commissioners, all of our work and our entire backup for anything that you folks decide to do in this realm. Thank you for being so open to so many wonderful new activities and economic development.

Paul Sorvino stated that this is an extraordinary time in an extraordinary place. As you all know, my roots to this city began 33 years ago with the great Jason Miller, your townsman and iconographic artist-in-residence filmed "That Championship Season" here, but wrote the original "Championship Season," which I was in on-Broadway, off-Broadway, the first film; the second film, which I directed and starred in and over the years, so many connections with Scranton to the degree that I've left New York and bought a house in the Poconos and that is where I live now. I come to Scranton every week or two and have the dearest of dear friends here. It occurred to me, that this film, which has been in planning stages for some time called, "The Trouble with Callie," written by my daughter Amanda, was ideally suited to be filmed here. This is a good place to film because if you want it to have a bit of an urban feel and if you don't want it to have it has a small town feel. It is what you want it to be. Very generously, Robert Thiel, the guy with the great body shop here, has offered to use his house as a set, which is a big deal. Of course I have to talk to everyone about permits. I am a deputy sheriff in Sheriff

Szymanski's office. I have been connected with this town and my dear friend Bob and Commissioner Munchak. What this offers to all of you who live here and all of us who are here for whatever reasons is a huge financial benefit. I do not have the figures at hand, but they are available. I think that it is North Carolina that invested \$6 million and within 10 years had a return of \$600 million. The reason for that is, if you make a film here, what happens? You make a film, you have to have a hotel for the 50, 60 or whatever the size of your film is; these people have to rent cars, your production has to rent cars, they don't rent them in New York, they rent them here. They have dry cleaning, restaurants and the ancillary effect of this is right here and one of the good things is that the restaurants are so good here. I have looked at this town very carefully and said I would really like to do something here. We talked about the possibilities of eventually setting up sound stages. This is kind of a pilot program, if you will. The amount of money at risk is very small and I could have asked for a grant and I am assuming that your by-laws would have probably permitted it, but that isn't necessary because the way I structured the LLC, the County actually stands to make a profit, as all of the other investors will make profits. If you forgive me, but the fact that I'm in it actually guarantees at least a TV sale, so there is very little at risk here. We have a wonderful script that Harvey Weinstein said, make the picture and I'll help you with domestic. Many of you might not know what that means, but Harvey Weinstein is one of the great movers and shakers in the movie industry. He was a studio himself and he will again be very shortly. If he says on a handshake, make the film and I'll help you distribute it. That is like putting \$10 million in my hands. This film has a great deal going for it and I believe that because of its proximity to New York when you need New York, its proximity to other urban centers, suburban looks, my farm, all kinds of places and kinds of different shooting availabilities. Also, we were talking about putting up sound stages. It may be that this is an ideal area to take converted factories and make them into sound stages. A sound stage is a room like this only taller, wider and quiet. You bring in all the equipment and do some construction of dressing rooms and things like that. Who does that? Local carpenters, local electricians. There is so much financial benefit to be gained by making a film here, even a small film. I would like to start with a small film and make this a pilot program for Scranton and try to develop this as a center, not just a place where you shoot one film. When it gets around that this town is film-friendly, and that will get around, and goes into the trade papers and it will, that starts the talk of why Paul is making a movie there. The town has been extraordinarily helpful in getting it started. I may even raise another few million dollars to make this film should I desire to, but I have committed to making the bulk of the film right here. That is my purpose in talking to you today, to galvanize interest in this. This is a very small risk for a municipality. This is actually investment that I'm very sure will come back. I would like to galvanize everybody's interest, everybody's energy to say look at this, we're going to have a film being produced here and it is probably the first of many. It is near my home, near all of my friends and I wanted a backyard situation. I wanted to do where I didn't have to always run off to L.A or shoot things in other places. There are great places to shoot right here. Any questions?

Larry McAndrew, Scranton – asked when the project would start.

Mr. Sorvino stated that I am also a singer and am singing at the New York City Opera for thirteen performances of "The Most Happy Fella" in March so I have to wait until that is done. Actually, as we speak, in the next two weeks I'm hiring a casting director and we will start with casting the film already. I would like to go into principal photography in April and might have to do some pick-up shots before that in winter time. That is easy to do when you have a nice home situation. You don't have to do it all formally; it can be a little informal.

Tom Scarnato, Old Forge – asked if there would be sixty people coming from out-of-town.

Mr. Sorvino stated at times. It depends on what days we're shooting; sometimes it's only fifteen; that flows because you have a staff of maybe four or five in the office. You have a crew of fifteen people. You have actors and that day you might have twenty actors; I don't know. I cannot exactly say to you. In a film like this, one shot we may need 150 people for. I will need extras from Scranton; people who want to be in the film or fun and posterity. There will be times that there is even more. All of those people must be wearing wardrobe; all of those people must get there, so it is a huge benefit to the municipality.

Commissioner Munchak stated we would like to thank you. I am sure that there will be other questions and perhaps we could have an official press conference.

Commissioner Cordaro stated that in addition to being the first film that Paul is going to wholly produce, he's been involved as director and producer; but he is going to wholly produce this family effort. His son will be acting in it; his daughter Mira, of great fame as well, will be acting in it and it will bring a lot of excitement and buzz and we are very confident in it as an investment, Mr. Chairman. We don't need a motion to do this because the Arts and Culture Fund is where it's coming from but for sake of form this is something I would ask.

Commissioner Munchak stated that I look at this as economic development. That is the key. We have made a pledge. We are not in the entertainment business; we're trying to get out of it, but based on prior meetings and what he said here today I'm excited about it because it is going to help our rentals cars, restaurants and hotels and our labor people; our electricians, plumbers and carpenters. I'm very happy with this and the City is very excited about it. As we go along, I would like more details and maybe a press conference as this is solidified.

Commissioner Cordaro stated that we do believe that this is an advance as opposed to a grant and we think we have a very good opportunity for return and reuse of these funds. The goal here and we don't know if we can reach it, is to encourage other producers and filmmakers, other people who make commercials and ads of all types discover this area. Mr. Sorvino's own plan regardless of what the rest of the world may think of the result is to develop as many as three films, all of which are in the works that will all be filmed here in whole or in part and we hope to eventually have an opportunity to develop sound studios as he mentioned. They are very inexpensive to develop. We just have to show people that this is a film-friendly area and market. I think we've talked about it very often. The fact that it can look like a big city and then immediately go half a mile or less and find an aspect that looks like a big town or small town; we have that to feature. I know that Paige Balitski and her gang have all been working hard with the Scranton Film Office. This is going to be a nice kick-start to continue their efforts and we're very excited about it.

**SUBJECT:** Motion to approve the expenditure of \$250,000 as an investment in The Trouble with Callie, LLC  
**MOVED BY:** Commissioner Cordaro  
**SECONDED BY:** Commissioner Munchak  
**DISCUSSION:** Commissioner Washo stated I share your enthusiasm. How much money is that, Regina? \$250,000 from the City?

Regina Peters, Education and Culture, stated and \$250,000 from the County.

Commissioner Washo asked what we are thinking about in terms of the possible return, because that sounded exciting as well beyond the business that it will generate in the community. Are we looking at setting up a revolving fund through this possibly?

Commissioner Cordaro stated yes. We don't need a specific revolving fund, we have an existing Arts and Culture fee fund and account, which collects those and this would enhance that should we get a return, in whole or in part.

Commissioner Washo stated that what I meant by that Bob is maybe we should be looking at this in terms of establishing a revolving fund. We have the funds to do this, Regina is telling us and we have an exciting project here and Mr. Sorvino has told us about the potential for even greater excitement as time goes on. It seems to me that we should give serious consideration to establishing this as a revolving fund so when that money comes back.

Commissioner Cordaro stated that we have, but we're not there yet.

Ms. Peters stated that we are in the process of finalizing this day and within this week, hiring of a cultural planning consultant. With this new information, I think that what your suggestion is is to perhaps put that into the mix as to some questions they should be asking the general public and financial people in the community as to whether putting a revolving fund together is a good move. We have so many things going on in the arts in Lackawanna County that we really believe that having a cultural plan for the County, which we will be working with the City as well, will in 18 months give us a real set of strategies for implementation along with costs for achieving short-term and long-term goals.

Commissioner Washo stated that let me dwell on this generally, revolving funds and the arts are a good idea. The need is almost unlimited. There are so many worthy projects out there and government can never fund all of those projects, but if we could use this project as a catalyst for generating money and that is consistent with what Mr. Sorvino said and his great reputation, we may never have this kind of an opportunity again. If we could seize that opportunity and use it to build a fund for the arts, then it would take some of the burden off of the taxpayer because this money that we are going to use, the \$250,000, came from millage and that's great, but we can take it the next step through a revolving fund by having someone of his stature help us to generate dollars that exceed the \$250,000. That is what I am suggesting; a serious exploration of the establishment of a revolving fund.

Commissioner Cordaro stated that Regina just told us that the cultural plan will tell us what to do. We already have a concept of a fund, but the cultural plan will tell us what type of a revolving fund, what opportunities they are, where this money should be spent or reinvested, so yes, we are doing that.

Commissioner Washo stated that I didn't realize we were doing it, because I've never heard that we were doing it.

Commissioner Cordaro stated that we had a public meeting on it with our cultural plan; a televised meeting on Channel 61.

Commissioner Munchak stated that it is part of their mission statement.  
Unanimous

**VOTE:**

**SUBJECT:**

Ordinance #170 (Lackawanna County Budget for 2006)  
**FIRST READING**

**AN ORDINANCE OF THE COUNTY OF LACKAWANNA** and the Commonwealth of Pennsylvania, fixing the tax rate for the year 2006 and appropriate specific sums estimated to be required for the specific purposes of the County government, hereinafter set forth during the current fiscal year.

**BE IT ORDAINED AND ENACTED**, and it is hereby resolved and enacted by the Board of Commissioners of the County of Lackawanna, Pennsylvania:

**SECTION 1:** That a tax be and the same is hereby levied on all property within the said County subject to taxation for County purposes for the fiscal year 2006 as follows:

Tax rate for general County purposes,

The sum of 29.348 mils on each dollar of assessed valuation

Or the sum of 293.48 cents on each one hundred dollars of assessed valuation.

For debt purposes, the sum of 9.25 mils on each dollar of assessed valuation or the sum of 92.5 cents on each one hundred dollars of assessed valuation.

For purposes of the County Library System, the sum of 2.5 mils on each dollar of assessed valuation

Or the sum of 25 cents on each one hundred dollars of assessed valuation.

For Culture and Education Fund purposes, the sum of 1.0 mils on each dollar of assessed valuation or the sum of 10 cents on each one hundred dollars of assessed valuation.

Total millage for all purposes is the sum of 42.098 mils.

**NO ACTION IS REQUIRED.**

Paul Taramelli, Chief of Staff, stated this Ordinance is available for public inspection in the Commissioners' Office between the hours of 9:00 AM to 4:30 PM.

Commissioner Cordaro stated that he wanted to thank the people of Lackawanna County. They responded to some very harsh medicine that had to be taken to cure the County's substantial financial woes. They had responded and as we have started to right the ship we are going to start giving that money back. This 5% tax cut is not only historic, because we have never cut taxes in modern Lackawanna County history, but it is exciting because it is a response and an opportunity that the people of Lackawanna County have given themselves. We have discussed and look forward to further tax cuts as the years go by and as we continue to make corrections to the financial condition of this County and continue to see the results and the benefits of the decisions that were made and the difficult choices that were made and participated in by the people of Lackawanna County. It is important to note that our tax revenues go up every year; they always have and when I was Minority Commissioner I would point out repeatedly, if we stemmed the growth of government we wouldn't get to where we got, which is an over \$40 million quagmire. If we continue to exercise some level of discipline on spending, control the growth and it's important to note again and again, that spending in 2003 was over \$110 million with \$20 million in accumulated obligations. This year, three years later, we will spend \$101 million on our budget. That's \$9 million plus the \$20 million in accrued obligations less than three years ago. If we can continue to reduce growth of our spending; payroll, energy costs and health insurance that have increased this budget despite our efforts, if we can continue to limit the growth of government below the natural growth of tax revenues, which the people of Lackawanna County provide through their own development, we will continue to be able to cut taxes and that is our goal to do it in a measured, steady pace as we go forward to continue to right size government and have government grow slower than Lackawanna County did; for years it grew much, much faster and that's where we got to. This is a down payment and a start to that. We are excited about the beginning of financial responsibility in Lackawanna County.

Commissioner Washo stated that we really to be not only conscious of the growth of our budget on an annual basis, but we need to be conscious of the growth of debt and we've really seen a real significant growth here. We are talking about in the last two years doubling our debt service, going from around \$6 million to around \$12 million. There are some real long-term consequences here when we're talking about long-term debt and we have to bring that under control as well. That is a very serious matter.

Commissioner Cordaro stated that debt can eat you up and unfortunately; in the past they didn't pay bills and that became debts and obligations because their budgets were under funded. We also, and I've pointed this out in the past, our audits not only showed and the 2004 audit will continue that, showed the \$40 million plus problem that we inherited but