

**MEMORANDUM OF AGREEMENT (MOA) BETWEEN
THE COUNTY OF LUZERNE (County), AND
THE PENNSYLVANIA STATE HISTORIC PRESERVATION OFFICER (PA SHPO),
FOR THE REDEVELOPMENT OF THE HOTEL STERLING COMPLEX, CITY OF
WILKES-BARRE, LUZERNE COUNTY, PENNSYLVANIA.**

WHEREAS, pursuant to 24 CFR 58, the United States Department of Housing and Urban Development (HUD) has delegated the responsibility for compliance with the requirements of Section 106 of the National Historic Preservation Act of 1966, as amended (16 USC 470f) to recipient agencies receiving funds from the Community Development Block Grant Program (CDBG) Program; and

WHEREAS, the County, a federally funded urban county, proposes to grant CDBG funds to CityVest, a Wilkes-Barre based nonprofit residential and commercial community development corporation, to provide funding for the redevelopment (including acquisition, demolition, rehabilitation and new construction) of the Hotel Sterling Complex (Project); and

WHEREAS, the Hotel Sterling Complex is comprised of four buildings, commonly referred to as the seven-story Corner Building, the four-story Connector Building, the fourteen-story Tower and the Power Building; and

WHEREAS, the Project may include acquisition of an adjacent property. This property consists of vacant lots located at 37-45 West Market Street. The buildings, which were located on these lots, were demolished under an emergency order by the City of Wilkes-Barre; and

WHEREAS, the Connector Building and the Power Building are part of the Hotel Sterling Complex, and have been identified as intrusive, non-historic & non contributing to the River Street Historical District; and will be demolished; and

WHEREAS, extensive study concluded that the 14-story Tower, identified as a contributing building to the River Street Historical District, is not a feasible candidate for rehabilitation and will be demolished; and

WHEREAS, the County has determined that the Project will have an adverse effect upon the historic and architectural qualities that make the River Street Historic District listed in the National Register of Historic Places; and

WHEREAS, the County will ensure the community is provided with published notification of the proposed redevelopment plan for the Hotel Sterling Complex and will accept and consider the public's written comments submitted within 15 days after the date of publication; and

WHEREAS, the City of Wilkes-Barre and the Luzerne County Historical Society have expressed interest in participating in the redevelopment process as a Consulting Party; and

WHEREAS, the general public has been given the opportunity to comment on the proposed redevelopment plan prior to and during the public hearing held on October 20, 2005.

WHEREAS, the County has consulted with the PA SHPO pursuant to 36 CFR 800 regulations implementing Section 106 of the National Historic Preservation Act of 1966, as amended;

NOW THEREFORE, the County, and the PA SHPO agree that the undertaking shall be implemented in accordance with the following stipulations in order to take into account the effect of the Project on the historic property.

STIPULATIONS

The County will ensure that the following measures are completed prior to the rehabilitation and redevelopment of the Hotel Sterling Complex, City of Wilkes-Barre, Luzerne County, Pennsylvania.

I. RECORDATION

- A. ***Building Description and History:*** The County shall ensure that the information required to supplement the recordation data already contained in the Pennsylvania Historic Resource Survey Form is prepared. That supplemental information shall consist of a history of the building.

- B. ***Photographs:*** Prior to demolition activities, interior and exterior photographs shall be taken; to include exterior elevations of the Tower and Corner Building and interior spaces that are safely accessible for photography. Photographs will be taken with a 35mm camera with black and white print film. Negatives will be housed in polypropylene sleeves, labeled with the same information as the photographs, and submitted to the PA SHPO. Unless otherwise agreed to, the County shall ensure that the additional photographic documentation is accepted by the PA SHPO prior to authorizing any redevelopment activities.

II. REDEVELOPMENT PLANS

- A. The rehabilitation of the seven-story Corner Building and any future constructed buildings within the complex shall be responsive to the Secretary of the Interior's Standards for Rehabilitation & Guidelines for Rehabilitating Historic Buildings.
 - 1. Documentation related to the rehabilitation of the Corner Building shall be submitted directly to the PA SHPO for a review period of 30 days prior to the start of activities.
 - 2. As future phases of the project are developed, such documentation will be submitted to the PA SHPO for a review period of 30 days prior to the start of activities.
 - 3. A non-response by the PA SHPO within the 30-day review period shall be interpreted as approval by the PA SHPO, and work may proceed in accordance with the submission.

III. PUBLIC OBJECTION

- A. Should a timely and substantive objection to any such measure or its manner of implementation be raised by a member of the public, the County shall take the objection into account and consult as needed with the objecting party, the PA SHPO, or the Advisory Council to resolve the objection.

IV. ANNUAL REPORTING

- A. The County shall ensure that annual report on all activities carried out pursuant to this agreement is provided to the SHPO and, upon request, to other interested parties or members of the public. Such reports shall be filed no later than February 15 of each reporting year.

V. DISPUTE RESOLUTION

- A. Should the PA SHPO object within thirty (30) days to any products provided for review pursuant to the Memorandum of Agreement, the County shall consult with the PA SHPO to resolve the objection. If the County determines that the objection cannot be resolved, the County shall request further comments or recommendations of the Advisory Council concerning the dispute pursuant to 36 CFR Part 800.6(b)(2). Any Advisory Council comment provided in response to such a request will be taken into account by the County in accordance with 36 CFR Part 800.6(c) with reference only to the subject of the dispute; the County's responsibility to ensure that all actions under this Memorandum of Agreement that are not subject of the dispute are carried out will remain unchanged.

Execution of this Memorandum of Agreement by the County of Luzerne and the PA SHPO and implementation of its terms is evidence that the County has afforded the Advisory Council an opportunity to comment on the Project and its effect on the historic property, and the County has taken into account the effect of the undertaking on the historic property.

County of Luzerne

By: *Gregory A. Skupnyak*
Chairman, Luzerne County Board of Commissioners

Date: 11-17-05

Pennsylvania State Historic Preservation Officer

By: *Jean H. Cutler*
PA State Historic Preservation Officer

Date: 11-22-05

CityVest

By: *John M. ...*
Chairman, Board of Directors

Date: 11-17-05

November 2, 2005

**Public Meeting Regarding
The Hotel Sterling Redevelopment Plans and Design**

Background

On the evening of October 20, 2005, CityVest hosted a public meeting in the Burke Auditorium at Kings College (Wilkes-Barre, Pennsylvania) to present the Redevelopment Plans and Design for the Hotel Sterling Site and to invite public comment. Well in advance of the meeting, CityVest, the not-for-profit community development corporation that is redeveloping the Hotel Sterling, advertised the meeting by placing notices in three local newspapers (Times Leader, Citizen's Voice, and Hazleton Standard Speaker). Both the print media and television attended and reported on the meeting.

Attendees

Alex Rogers---Executive Director, CityVest
Judd Shoal---Chairman, CityVest
Angelina Davis---CityVest
Barry Schnoll---1:1:6 Technologies, Inc. (Historic Preservation Consultant)
David Ertz---Cope-Linder Architects
Jim Stevenson---Lincoln Property Company
Kevin Casey---Lincoln Property Company
Jon Fox, Times Leader
Richard M. Goldberg
Eberhard Faber, Chair, Board of Trustees of King's College
Tom Williams
Larry Newman, Wilkes-Barre Chamber of Commerce
Elizabeth Skrapitis, Citizen's Voice
Jesse Teitelbaum, Executive Director, Luzerne County Historical Society
Father Tom O'Hara
WBRE TV camera crew
WYOU TV camera crew

Minutes

Alex Rogers, Executive Director of CityVest. Mr. Rogers opened the meeting by explaining that CityVest, its architects, historic preservation consultants, and development advisors have held extensive discussions with the Pennsylvania State Historic and Museum Commission ("SHPO") over the last several weeks. Mr. Rogers noted that CityVest offers this opportunity to describe development proposals and to seek

public comment before the architectural plans are formally submitted to the SHPO and the parties execute a Memorandum of Agreement (“MOA”). Rogers further explained that the CityVest Redevelopment Plan strikes a balance between renovation and new construction, guided by the principle of developing a first-class site that is economically feasible. The Plan contemplates bringing back to life the best features of the corner building – i.e., the historic hotel building – and transforming the site into a center for residential and commercial space. Phase I of the project is the redevelopment of the corner building into a mixed use commercial and residential building, and the selective demolition of other structures on the site. Phase II includes new construction and will be informed by the market demand during Phase I, offering possibilities for a combination of commercial, residential, and hotel space.

Prior to CityVest’s acquisition in November 2002, the Hotel Sterling was a vacant, decaying and neglected property, with broken windows and a leaky roof. Once a prestigious commercial and residential address in the region with a hotel guest list that included past U.S. Presidents, the property had fallen into terrible disrepair – and had sat vacant since 1998 – due to a tortured legal history that included the prior owner’s repeated failure to pay taxes and utilities and to maintain the property and its declaration of bankruptcy. In short, years of neglect by the prior owner left the Hotel Sterling Complex a blighted property that casts a dark shadow on downtown Wilkes-Barre.

Since its acquisition of the property in November 2002, CityVest has patched the roof to prevent further water damage to the building, restored electrical power, conducted structural engineering and environmental analysis, retained a real estate development advisor, and selected a nationally-recognized architectural firm after conducting a design competition. Mr. Rogers noted that elected leaders on the federal, state, County, and City level have been enormously supportive of CityVest’s efforts to redevelop this important property.

Rogers added that the months leading up to tonight’s meeting have been devoted to project planning and budgeting and that CityVest is eager to begin environmental remediation and construction following SHPO’s review of the redevelopment plan.

Mr. Rogers next briefly reviewed the agenda for the evening meeting and asked David Ertz of Cope-Linder Architects, to present the conceptual, elevation, and layout drawings.

David Ertz, Architect, Cope-Linder. Mr. Ertz discussed the overall redevelopment plans for the Hotel Sterling Complex, referring to several illustrative boards depicting the conceptual plans. He explained that his firm starting from the premise that the 7-story, corner building had redeeming architectural features that merited preservation where feasible, but that other aspects of the site lacked architectural significance and were ill-suited for redevelopment. Among the issues Mr. Ertz discussed were:

- The partial removal of the interior side of the atrium (eastern interior wall section commonly referred to as the “hyphen”) for creation of courtyard/drop off area at proposed main entrance to the Sterling Court.

- The transformation of the main hotel into a mixed-use commercial and residential building, potential preservation of the grand lobby and atrium.
- Exterior work to include cleaning and patching of the masonry façade of the Corner Building as well as the potential addition of new awnings and street level storefront as required by the Commercial/Retail component.
- The significant location of the Hotel Sterling Complex as it relates to the riverfront and downtown areas.
- The preliminary layouts and sizes of the proposed residential and commercial units.
- The proposed on-grade private parking lot for residences of the Hotel Sterling.
- The substantial problems – from a design, construction, and economic standpoint – associated with other buildings on the site, and their lack of architectural significance. These structures include the 14-story building (with low floor to ceiling heights, a small footprint, lack of windows, plethora of support beams that limit room size), the four-story connector building, and the power supply building in the rear of the site. These buildings also impede the redevelopment of the corner building. For these reasons, Mr. Ertz has concluded that these buildings should be demolished.

Barry Schnoll, Historic Preservation Advisor. Mr. Schnoll spoke to the historic process of receiving Federal money and then discussed the conceptual plans for the Hotel Sterling in the context of the existing buildings (both their condition and history). Items Discussed:

- Money received from HUD's CDBG Programs through Luzerne County.
- The Federal Process of 106 Review phases:
 1. Process requires identification of parties involved between Luzerne County, and the PA State Historic Preservation Officer.
 2. Identification of other interested parties in this process (City of Wilkes-Barre and Luzerne County Historical Society).
 3. Solicited written comments as part of published notification of Public Hearing.
 4. Project concept plans to be presented to SHPO and County to aid in the development of a Memorandum of Agreement (MOA). The MOA establishes a process for review and reporting as the project moves along in phases and provides provisions for resolving any issues that should arise throughout the duration of the project.
- The Main Building of the Sterling put on the River Street Historic District List and put into the National Historic Register in 1984.
- The 14-story Building (contributing), Connector Building and Power Building (non-contributing and non-historical) may be removed, as they are not economically feasible for redevelopment.

Public Input

Eberhard Faber, Chairman of Board, Kings College

Mr. Faber provided a written copy of his comments immediately following the meeting. His comments are attached to these minutes for the record

Public Input (continued)

Jesse Teitelbaum, Executive Director, Luzerne County Historical Society

Mr. Teitelbaum expressed the Historical Society's overall support for the Hotel Sterling Project. He noted that any effort to bring back the people to the downtown Wilkes-Barre area is strongly supported. Mr. Teitelbaum applauded the CityVest redevelopment plan and understood the need for combining renovation and demolition. Having said that, Mr. Teitelbaum encouraged CityVest to preserve ornamental and other features of those buildings slated to be demolished, perhaps with an eye to incorporating those items in the site. David Ertz and Alex Rogers responded, stating that the current concept calls for the possible re-use of the ornamental urns in the courtyard / garden area. They also discussed the possibility of donating other elements of the existing buildings to the Historical Society for reuse on other projects in the community.

Question and Answer Session with Media Officials

CityVest next invited media officials in attendance to ask questions. Copies of articles chronicling the meeting are attached.

This Public Meeting for the Presentation of the Hotel Sterling Redevelopment Plans and Design adjourned at 7:00 p.m.

Respectfully Submitted,

Angelina M. Davis
Recording Secretary,
CityVest

① THE CITIZENS' VOICE

75 N. WASHINGTON ST., WILKES-BARRE, PA 18711

BUSINESS OFFICE 821-2007
ADVERTISING DISPLAY 821-2030

ADVERTISING CLASSIFIED 821-2020
GENERAL INFORMATION 821-2000

7 BILLED/ACCOUNT NO.
347536

BILLING PERIOD

10/02/05 10/02/05

2 BILLED ACCOUNT

LINCOLN PROPERTY COMPANY
FAWN SMITH
150 MONUMENT RD., STE. 500
BALA CYNWYD PA 19004

6 TERMS OF PAYMENT
SEE OTHER SIDE

INVOICE NO. 4 BILLING DATE

10/02/05

LEGAL BILL

11	12	13	14	15	16	17	18	19	20
REFERENCE NUMBER	CHARGES OR CREDITS DESCRIPTION/PRODUCT CODE	SAU DIMENSIONS	TIMES	BILLED UNITS	RATE	GROSS AMOUNT	NET AMOUNT		
2 4652479	HOTEL STERLING		58	1	58.00	1.24	71.92		

THE CITIZENS' VOICE (UNDER ACT P.L. 877 NO. 160, JULY 9, 1976)
COMMONWEALTH OF PENNSYLVANIA, COUNTY OF LUZERNE

IRENE WILLIAMS BEING DULY SWORN ACCORDING TO LAW DEPOSES AND SAYS THAT SHE IS ACCOUNTING CLERK FOR THE CITIZENS' VOICE, OWNER AND PUBLISHER OF THE CITIZENS' VOICE, A NEWSPAPER OF GENERAL CIRCULATION, ESTABLISHED IN 1978, PUBLISHED IN THE CITY OF WILKES-BARRE, COUNTY AND STATE AFORESAID, AND THAT THE PRINTED NOTICE OR PUBLICATION HERETO ATTACHED IS EXACTLY AS PRINTED IN THE REGULAR EDITIONS OF THE SAID NEWSPAPER ON THE FOLLOWING DATES, 10/2/05
VIZ.: STERLING

AFFIANT FURTHER DEPOSES AND SAYS THAT NEITHER THE AFFIANT NOR THE CITIZENS' VOICE IS INTERESTED IN THE SUBJECT MATTER OF THE AFORESAID NOTICE OR ADVERTISEMENT AND THAT ALL ALLEGATIONS IN THE FOREGOING STATEMENT AS TIME, PLACE AND CHARACTER OF PUBLICATION ARE TRUE
SWORN AND SUBSCRIBED TO BEFORE ME
THIS 05 DAY OF OCT. A.D. 2005.

Francis J. Roche (NOTARY PUBLIC)

NOTARIAL SEAL
FRANCIS J. ROCHE, NOTARY PUBLIC
WILKES-BARRE CITY, LUZERNE COUNTY, PA
MY COMMISSION EXPIRES DEC. 17, 2006.

Public Meeting
REDEVELOPMENT OF THE HOTEL STERLING COMPLEX

To comply with Section 106 requirements of the National Preservation Act, CityVest will hold a public meeting on Thursday, October 20, 2005, at Kings College McGowan School of Business' Burke Auditorium, 133 North River Street, Wilkes-Barre, PA 18711, at 6:00 p.m. to discuss redevelopment plans for the Hotel Sterling complex. Public input obtained at this meeting will be taken into consideration for final project design.

In addition, any individual, group, or agency wishing to comment on the project prior to the public meeting may submit written comments to CityVest, 7 North Wilkes-Barre Boulevard, Suite 432M, Wilkes-Barre, PA, 18702. All comments received by October 17, 2005 will be considered by CityVest prior to final project design.

24 AGING

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CURRENT NET AMOUNT
71.92

29 CONTRACT PERFORMANCE

EXPIRATION DATE	REQUIREMENT	CURRENT MONTH	CUMULATIVE

PLEASE PAY THIS AMOUNT

25 TOTAL NET AMOUNT DUE

AMOUNT OF PAYMENT

26 BILLED/ACCOUNT NO. 27 BILLED ACCOUNT NAME
347536 LINCOLN PROPERTY COMPANY

CASH AND RETURN THIS PORTION WITH YOUR PAYMENT

THE CITIZENS' VOICE

75 N. WASHINGTON ST., WILKES-BARRE, PA 18711
PHONE (570) 821-2000

EMITTANCE ADVICE

PROOF OF PUBLICATION
HAZLETON
Standard-Speaker, Inc.

Hazleton, Pennsylvania

Federal Identification No. 24-0859891

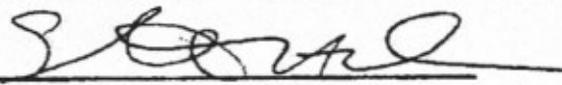
(Under Act No. 587, Approved May 16th, 1929).

State of Pennsylvania }
 County of Luzerne } ss:

Stephen H. Waiser, being duly sworn according to law deposes and says that he is the Publisher of the "HAZLETON STANDARD-SPEAKER," a daily newspaper of general circulation published in Hazleton, Luzerne County, Pa., that the said HAZLETON STANDARD-SPEAKER was established in 1866, and that the printed notice or publication hereto attached is exactly as printed in the regular editions of the HAZLETON STANDARD-SPEAKER on the following dates, viz:

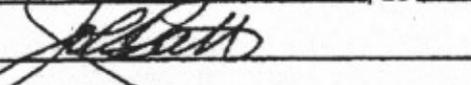
October 2, 2005

Affiant,, to wit Stephen H. Waiser, further deposes and says that the HAZLETON STANDARD-SPEAKER is a newspaper of general circulation and that neither the affiant nor the HAZLETON STANDARD-SPEAKER is interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statement as to time, place and character of publication are true.



sworn to before this 2nd day

of October 20 05



NOTARIAL SEAL
 JOHN F. PATTON, Notary Public
 City of Hazleton, Luzerne County
 My Commission Expires Dec. 15, 2007

**PUBLIC MEETING
 REDEVELOPMENT OF THE
 HOTEL STERLING COMPLEX**

To comply with Section 106 requirements of the National Preservation Act, CityVest will hold a public meeting on Thursday, October 20, 2005, at Kings College McGowan School of Business, Burke Auditorium, 133 North River Street, Wilkes-Barre, PA, 18711, at 8:00 p.m. to discuss redevelopment plans for the Hotel Sterling complex. Public input obtained at this meeting will be taken into consideration for final project design.

In addition, any individual, group, or agency wishing to comment on the project prior to the public meeting may submit written comments to CityVest, 7 North Wilkes-Barre Boulevard, Suite 432M, Wilkes-Barre, PA, 18702. All comments received by October 17, 2005 will be considered by CityVest prior to final project design.



Hazleton Standard-Speaker, Inc.

For publishing attached notice on above stated dates 124 Lines, 1 DAY \$ 103.50

Publisher's Receipt for Advertising Costs:

The HAZLETON STANDARD-SPEAKER, Inc., hereby acknowledges receipt of the costs as above and certifies that the same have been duly paid.

HAZLETON STANDARD-SPEAKER, INC.

Proof of Publication
The Times Leader

(Under Act No. 587, approved May 16th, 1929)

STATE OF PENNSYLVANIA
COUNTY OF LUZERNE

SS:

Deanna Suchoski being duly sworn according to law, deposes and says that he/she is bookkeeper for the Times Leader of Wilkes-Barre, PA, a daily newspaper published in the city of Wilkes-Barre, County of Luzerne and State aforesaid, by THE WILKES-BARRE TIMES LEADER; that the said TIMES LEADER was established in 1939, and that the printed notice for publication hereto attached is exactly as printed in the regular editions of the TIMES LEADER on the following dates, viz:

October 2, 2005

Affiant further deposes and says that the TIMES LEADER is a newspaper of general circulation, and that neither the affiant nor the TIMES LEADER is interested in the subject matter of the aforesaid notice or advertiser. All allegations in the foregoing statement is to time, place and character of publication are true:

PUBLIC MEETING
REDEVELOPMENT OF THE HOTEL STERLING COMPLEX
To comply with Section 106 requirements of the National Preservation Act, City Vest will hold a public meeting on Thursday, October 20, 2005, at King's College McGowan School of Business' Auditorium, 133 North River Street, Wilkes-Barre, PA 18711, at 6:00 p.m. to discuss redevelopment plans for the Hotel Sterling complex. Public input obtained at this meeting will be taken into consideration for final project design.
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OR

Deanne Suchoski
Sworn to before me this 3rd day
of October, 2005
[Signature]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Dedra J. Polinski, Notary Public
City of Wilkes-Barre, Luzerne County
My Commission Expires June 17, 2006

The Times Leader

For notice on above stated dates ----- \$ _____

Advertising Costs:
_____, a newspaper of general circulation, hereby acknowledges receipt of the costs of the _____ and the same have been duly paid.

The Times Leader

Per _____



Statement in Support of
CityVest's Proposed Development Plan for the Hotel Sterling

October 20, 2005

Directors

Good Evening. My name is Eberhard Faber and I am the Chairman of the Board of ~~Trustees~~ of King's College. Thank you for the opportunity to make this statement on behalf of this outstanding project. We are delighted to host tonight's event on our campus and to express our strong support for CityVest's commitment to the revitalization of the Hotel Sterling site and to downtown Wilkes-Barre.

As you know, King's College – with its thousands of students, faculty and staff – sits just a few blocks from the Hotel Sterling Site. We are your neighbors and we are delighted about the investment CityVest is making in our shared neighborhood to turn a blighted eye sore back into a thriving center for residential and commercial activity. In recent years, King's College has likewise invested substantially in our campus to our neighborhood investing over 20 million dollars in renovating and enlarging our Campus Center (a building used by students and civic groups alike), establishing a new pedestrian mall on our campus, creating retail space on North Main Street by establishing our College bookstore there and totally renovating a blighted apartment building and turning it into a first class residence for 125 students. Finally, just two weeks ago the Congregation of Holy Cross, which sponsors King's College, dedicated a 3 million dollar project of new housing in our neighborhood for members of the Congregation who work at King's.

As I have learned about the details of CityVest's redevelopment plan for the Hotel Sterling Site – most recently, at this evening's presentation -- I have grown increasingly enthusiastic about this project, its prospects for success, and its contribution to the rebirth of Wilkes-Barre. CityVest's redevelopment plan strikes a sensible balance between the preservation of the historically-significant 7-story building and demolition of the remaining buildings on this site, which CityVest's experts have ably demonstrated are poor candidates for renovation, both from an economic and design standpoint. After all, those other buildings were built later in time and lack the beauty of the corner building and this community's rich memories of the Hotel Sterling are focused on the corner building, with its grand lobby that your plan proposed to bring back to life. The proposal to convert the former hotel into a mixed-use building, with commercial space on the lower floors and residential space above, makes excellent sense.

Projects of this scale, in the heart of an urban center, pose unique and often daunting challenges, which CityVest has confronted with care. For too long, the Hotel Sterling sat idle, as its roof caved in and the building deteriorated. We now have new hope for this important corner of our City and we urge timely approval of CityVest's first-class redevelopment plan by all respective levels of state, federal, and local government.

11/09/2005 THU 10:20 AM

1136 First Avenue
New York, New York 10021
October 5, 2005

Mr. David F. Ertz
Partner
Cope Linder Architects
30 South 15th Street
Philadelphia, Pennsylvania 19102

Dear Mr. Ertz:

A propos of the Wilkes-Barre Times Leader article of September 17th, 2005, I decided to expand upon the Pennsylvania Historic Museum Commission's call for public comment by also communicating with you, Alex Rogers of City-Vest and Tony Brooks of Leadership Wilkes-Barre as well.

To begin, allow me to introduce myself. I am not a resident of the area. My interest in it comes as a result of my family's long history in the Wyoming Valley which includes a grandfather - George P. Gallagher - who was long superintendent of mines at the Glen Alden Company - and a great-grandfather - Lawrence Gaffney - who once operated a blacksmith shop on the present day site of the Sterling.

As to present day connections: My father resides in Kingston.

And I am a veteran of the entertainment business and what is described as a bi-coastal individual, although I am much involved in all things civic here in Manhattan.

And so, truly, it is most disturbing that so much demolition of the Sterling is being contemplated.

Yes, views are important, but one would think it part - albeit a difficult part - of your assignment to so configure the envisioned condominiums that they each wound up with some portion of a view, even if that view was not from every room or panoramic.

As to the view of the Wilkes-Barre business district, surely you have remarked upon - apart from the one neo-classical erstwhile bank building - the post-1969 structures surrounding the square are dismal at best. Better it should remain mostly obstructed.

As for the concept of tearing down the existing 14-story wing and replacing it with a new tower above a parking structure... Mr. Ertz, even California is giving up on the unsightly, above-ground parking structure in favor of more easily policed.

Mr. David F. Ertz

October 4, 2005

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subterranean parking, with increased emphasis, especially in residential situations, on valet parking as a basic, included condo service.

As it is, the large city parking structure but a stone's throw away from the Wilkes-Barre police station is notoriously unsafe, particularly for women.

Surely, in 2005, we recognize that the architectural fabric of innumerable American cities has been devastated by the demolition of period buildings for parking structures and lots, giving them the look of gaping mouths missing important, irreplaceable teeth.

And, frankly, restoration is not a term that can be used to describe a plan includes demolishing two-thirds of a historic site.

Finally, enclosed you'll find copies of some vintage postcards I came upon at a recent flea market. Fabulous gardens (presumably ones in which, like Kirby Park, Olmstead had a hand)... A fantastic greenhouse... The Sterling premises, majestic and beautifully landscaped...

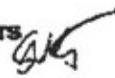
All long gone before you and I were born but surely inspiring of what might still be, especially given the beautiful work you've done on so many of Philadelphia's treasures.

With best regards and in hope,

Sarah Woodside Gallagher

SWG:mf
enc.

cc: Wayne S. Spilove
Chairman
Pennsylvania Historic Museum Commission

Alex Rogers
City-Vest 

Tony Brooks
Leadership Wilkes-Barre

**CityVest
The Stegmaier Building
7 N. Wilkes-Barre Blvd, Suite 432M
Wilkes-Barre, PA 18702
Phone: 570-826-6340**

November 3, 2005

By First-Class Mail

Ms. Sarah Woodside Gallagher
1136 First Avenue
New York, NY 10021

Dear Ms. Gallagher,

Thank you for taking the time to send your comments regarding CityVest's Redevelopment Plans for the Hotel Sterling Complex. CityVest greatly values your input as an individual with ties to our community and we are pleased that you share our interest and desire to assist in the revitalization of Wilkes-Barre. Thank you as well for the photographs of the postcards.

As you know, before CityVest's acquisition of the Hotel Sterling, the buildings on this site sat in terrible disrepair. With unpaid back taxes and penalties exceeding \$2 million, an owner in bankruptcy, a leaky roof, and significant environmental challenges, this property was not a likely candidate for redevelopment. As the years passed, the buildings deteriorated, thereby decreasing the likelihood of redevelopment by a private developer. Instead, CityVest – a not-for-profit community development corporation – acquired the property and assumed the role as developer, with tremendous assistance from local, county, state, and federal officials.

At all times, CityVest has sought to strike a balance between renovation and preservation of the historically-significant structures and demolition (and new construction) of buildings with little or no historical significance and that were ill-suited for redevelopment. As you know, our plan contemplates the renovation of the 7-story corner building, including its grand lobby. In the case of the 14-story building, in contrast, careful analysis by engineers and architects has identified multiple problems that lead to the conclusion to demolish the structure – namely, low floor-to-ceiling heights, a small footprint, few windows, numerous support beams that restrict room size, etc. In short, CityVest's plans for redevelopment have been guided by the principal of preserving as much of the Hotel Sterling's enduring legacy as is economically feasible.

You may be certain that your views regarding the redevelopment of the Hotel Sterling have been, and will continue to be, carefully considered and we welcome additional comments in the future.

Thank you again for sharing your concerns with us.

Sincerely,

Alex Rogers
Executive Director