

WEDNESDAY

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Wilkes-Barre, PA

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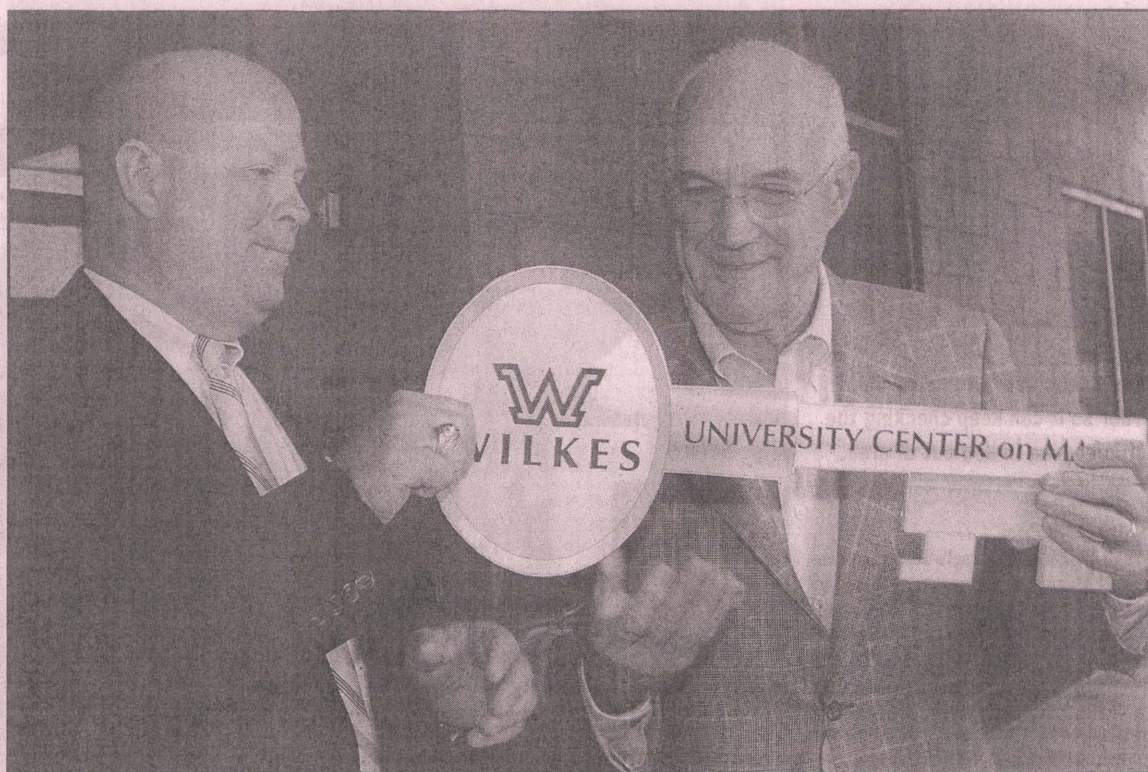
WILKES HAS PLANS FOR CALL CENTER



WARREN RUDA/CITIZENS' VOICE

Vacant building could house university's artificial turf practice fields. Page 3

WILKES-BARRE CALL CENTER



TIMES LEADER STAFF PHOTO/DON CAREY

Wilkes-Barre mayor Tom Leighton hands over a foam board key to Wilkes University President Tim Gilmour Monday. The school purchased the city's former Call Center for \$7.9 million and plans to relocate its campus security force there.

Wilkes takes possession

School plans renovation, public safety move

By JON FOX
jfox@leader.net

TL 8-9-05
WILKES-BARRE — Wilkes University plans to relocate its campus security force to South Main Street by the end of the year as it renovates the former call center.

Wilkes will move its Public Safety Office from the corner of South and River streets to the first floor of the Park 'N' Lock South garage, part of the call center complex the school purchased from the city for \$7.9 million.

University students and faculty will immediately begin using the 600-spot parking garage as crews make nearly \$2 million in renovations on the call center across the street.

The school plans to augment its security staff of 10 full-time officers with two part-time officers to expand its 24-hour coverage zone to include the call center, said university spokeswoman Christine Seitzinger.

Vacant since 2002 when the telemarketing tenant of the city-owned building

ceased operations, the call center will become the "University Center on Main" and house administrative offices, continuing-education classrooms and an indoor practice area.

Use of the athletic facilities in the 80,000-square-foot building could begin by January, and offices and classrooms will be completed by next summer, university officials said.

The expansion increases the size of campus by about 10 percent and is part of a 20-year plan that university officials say is an effort to reorient the university toward the city's riverfront and Main Street.

A 3,500-square-foot area fronting South Main Street may be converted to retail space, and the university is exploring leasing agreements with national coffee and bagel chains, school officials said.

At a symbolic transfer of ownership Monday — the transaction was finalized last week — Mayor Tom Leighton and university President Tim Gilmour praised the deal as mutually beneficial.

"It's really a win-win situation," Gilmour said.

For the city, selling the failed call center eased a significant financial burden that had hindered efforts to refinance the city's pension bond.

"We are one of the few cities across this country that has ever defaulted on a bond," Leighton said.

In 2002, the city defaulted on a bond taken to finance the construction of the building, forcing AMBAC, the New York-based bond insurer, to cover a \$220,000 payment for the call center.

When the city went to AMBAC in 2004 to underwrite a \$35 million pension bond, "they laughed at us," Leighton said. "They said 'Buddy you got a long way to go.'"

With the financial weight of the vacant building off the city's shoulders, Leighton expects the pension bond to be refinanced in the coming weeks.

Jon Fox, a Times Leader staff writer, may be reached at 829-7219.

SCRANTON TIMES

SCRANTON, PA
FRIDAY 28,991
JUN 24 2005



University Buys Former Call Center

Wilkes To Expand in 80,000-Square-Foot Facility

BY DENISE ALLABAUGH
STAFF WRITER

WILKES-BARRE — Wilkes University officially purchased the former call center on South Main Street on Thursday for \$7.9 million, a deal that will wipe out the city's debt on the building.

"Today is truly a great day to believe in the city of Wilkes-

Barre," Mayor Tom Leighton said.

The announcement ended nearly three years of efforts to find a suitable owner for the 80,000-square-foot building. The call center has been vacant since 2002 when Customer Satisfaction First closed, leaving more than 150 people out of work and the city in debt.

Wilkes will continue to pay the city's \$1 million in annual debt services, Mr. Leighton said.

Wilkes will spend an additional \$1.9 million to renovate the center to provide new space for student services and athletic and recreational activities, office operations, classrooms for graduate programs and consolidated administra-

tive services.

The building will be renamed "University Center on Main," Wilkes President Tim Gilmour said.

Mr. Gilmour said the university intends for the facility to become a "one-stop location for all student services."

"We believe we can convert this into a wonderful indoor recreational and practice facility for our students and our athletic teams," he said.

"The ramifications of this

deal will allow us to continue to move forward, to solidify our financial future and open the door for increased economic development," Mr. Leighton said.

Wilkes is one of the city's largest employers with more than 400 full-time employees and 150 part-time employees. The university contributes more than \$300,000 in payroll taxes to Wilkes-Barre and neighboring communities, Mr. Gilmour said.

In addition to the call center, Wilkes also purchased the 550-space Park-N-Lock South and an adjoining surface parking lot from the Wilkes-Barre Redevelopment Authority. Seventy-five spaces in the six-story parking garage are leased to 10 E. South St. apartment building.

Wilkes plans to relocate its public safety unit to the first floor of the parking garage to provide added security.

Wilkes University to purchase former call center and parking garage

At a news conference Thursday, Wilkes-Barre Mayor Tom Leighton and Wilkes University President Tim Gilmour announced the university's intent to purchase the former call center and adjacent parking garage on South Main Street. Wilkes has renamed the

building University Center on Main.

The agreement of sale, signed by both parties, clears the way for the university to purchase the facilities from the city's Redevelopment Authority for \$7.9 million — a deal both city and university

officials said will re-orient the university's campus and breathe new life into the business district.

"This is what I mean when I say I believe in Wilkes-Barre," Leighton said. "Good things are happening. Wilkes University is a great partner.

If this doesn't get people believing, I don't know what will."

For Wilkes University, the agreement is the first major step in implementing its new 20-year master plan. "This new building gives Wilkes the room we need to offer more

and better services to our students, helps the city to revitalize the business district with a stable partner and makes us a greener, more pedestrian campus," Gilmour said.

Leighton and Gilmour said the agreement is a "win-win"

situation for both entities and sends a clear signal that the future is bright for both the university and the city.

After closing on July 23, Wilkes plans to spend an additional \$1.9 million renovating University Center on

Main (UCOM) to provide new space for student services and athletic and recreational activities, office operations, classrooms for graduate programs and consolidated administrative services

STANDARD-SPEAKER

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UCOM will also re-orient the campus east and west towards the river and business district — a major recommendation of the university's master plan. Wilkes is also exploring locating a food service provider in the Main Street storefront area.

For the city, the agreement will free up \$7 million in debt service payments, including \$1 million in annual debt service, insurance, utility and maintenance costs.

Wilkes University's presence on Main Street provides stability and a substantial increase in foot traffic to local businesses.

The 550-space parking garage will help hundreds of students and faculty integrate with the business district. Wilkes plans to relocate its public safety unit to the first floor of the Park and Lock South parking garage to provide added security.

The university's 20-year master plan calls for creation of a more pedestrian-friendly campus while celebrating the historic significance of Wilkes-Barre and renovating other facilities. The plan envisions reducing River Street to a two lane "quiet boulevard," and redirecting traffic through the center of town.

The university is also exploring construction of a new building for the sciences and converting Stark Learning Center to dormitory space. Renovations to the Darte Center and Bedford Hall are also included, as are plans to improve and expand the athletic fields, Munson Fieldhouse and the Marts Center.

"Over the next 20 years, Wilkes plans to invest in its infrastructure and surrounding environment to enhance the quality of learning and living experiences for our students and faculty," Gilmour said. "We also want to be an active partner in the city's revitalization."

Wilkes is the managing partner in the Joint Urban Studies Center, a regional think tank for improving governments, sponsored community forums on creating cultural space for local artists, and voluntarily increased its payment for services to the city by over 50 percent. In addition, Wilkes purchases \$16.8 million of dollars of services and is one of the city's largest employers, contributing more than \$300,000 in payroll taxes to Wilkes-Barre and neighboring communities.

The announcement ends nearly three years of efforts by the city to find a suitable owner for the 80,000-square-foot building, which has been vacant since December 2002, when the Texas-based Customer Care First closed its doors.

OUR OPINION

TL
7-3-05

Patient, balanced strategy the right cure for W-B

THE CONTRAST THAT is Wilkes-Barre played out atop the front page of Tuesday's Times Leader.

On the right, bold headlines and a story announcing that a discount furniture outlet would move into the former BiLo store, vacant since 2003. To the left, a large photo showing yet another rotted Franklin-style streetlight that had toppled to the ground.

Such disparity provides valuable context as Mayor Tom Leighton attempts to turn a city full of cynics into a bunch of believers.

Surplus Freight's decision to move into the 26,000-square-foot store in the Penn Plaza on South Main Street represents one of the largest retail moves in the city in recent years and brings new life into downtown. "Our hope is that more stores will follow the lead," John Augustine, senior director of economic and entrepreneurial development for the Greater Wilkes-Barre Chamber of Business & Industry, told our reporter.

Especially promising: The move into downtown was not accompanied by the usual giveaways and tax breaks that have often been used to lure businesses—some of which have then fled without contributing a dime to city coffers. Surplus Freight simply thought downtown Wilkes-Barre was a good place to do business. Its announcement follows news that Wilkes University would purchase from the city the vacant call center, located a few blocks away. That deal will bring more life to South Main Street and free the city from a crippling financial arrangement that drained \$700,000 a year, money that could be spent elsewhere.

Which brings us back to the fallen light pole.

Mayor Leighton has taken on the leadership of an aging city with massive and costly maintenance needs. Decaying buildings, deteriorating pavement and sinking storm drains all demand his attention.

Additionally, he serves a diverse population within the city: small business owners and Section 8 renters, senior citizens and college students, longtime residents and those who think "Agnes" is just some woman's first name. All of them have very different priorities.

Some just want their street paved. Finally.

Earlier this week, Jim Evans, owner of Mountain Productions on New

Frederick Street, erected a 15-by-40-foot banner proclaiming, "I'll Believe When You Pave Our Street." Leighton originally fumed about the sign mocking his new city slogan and indicated he would rethink plans to pave New Frederick. Apparently, the mayor and Evans have patched up their differences as the sign has been amended to a supportive tone.

Such frustration is not entirely unwarranted. (We'll reserve judgment on the method of display, however.) Despite opportunities to relocate, Evans has continued to operate Mountain Productions in the city for the past 25-plus years. His concert and festival production company employs 55 people, nearly all of them Wyoming Valley natives. Evans told our reporter he believes in the city, but his gripe spans two mayoral administrations and 10 years of unfulfilled promises to fix his street.

"Jim Evanses" can be found throughout Wilkes-Barre. They might not be "I Believe" cheerleaders, but these residents and business owners have continued to pay their taxes, maintain (and sometimes expand) their operations and improve their properties—without fanfare or financial incentives. Their "belief" stems from their daily actions, not from simply hanging posters in their windows.

We will no doubt encounter a host of potholes, speed bumps and other clichéd setbacks along Wilkes-Barre's road to recovery. For every Surplus Freight opening, a streetlight—figuratively—will fall. It is inevitable.

Mayor Leighton must balance his efforts to attract new blood to the city against the ongoing maintenance needs that spread from Goose Island to Brookside and from Mayflower to Main Street. (And yes, the mayor's entitled to get a little steamed now and then when he perceives his revitalization efforts are not appreciated.)

"Good things have been happening all along," Leighton told the newspaper's editorial board this past week as he spelled out efforts to revitalize downtown, restore the Ice-A-Rama and reward those willing to invest in the city. "They just take time."

These projects advancing from promise to reality will convert far more non-believers than any hype-filled press conference. As Virgil wrote centuries ago in the Aeneid: "Believe one who has proved it."

LOCAL NEWS

Store owners split on whether call center sale will increase business

By Mike Cherney
Staff Writer

CV
6-25-05

Small business owners and employees near the closed call center on South Main Street in Wilkes-Barre were split on how much commerce the city's sale of the structure to Wilkes University on Thursday would bring to their stores.

One thing, though, was clear: an occupied building is a better than a vacant one.

"Anything's better than an empty building," said Juliana Steins, a part-time employee at Phoenix Comics and Collectibles, 104 S. Main St. "Out of all the options that came up over the past few years, that's the best one (for the call center)."

Mayor Tom Leighton said Thursday the \$7.9 million deal would "open the door for increased economic development" in downtown. The university plans to convert the facility into classrooms, offices and athletic facilities, and Wilkes President Tim Gilmour promised to turn the building into a "real center of activity" that is "really 24-7."

"Without a doubt we're go-

ing to put a lot more foot traffic on that part of South Main," said Steve Barrouk, president of the Greater Wilkes-Barre Chamber of Commerce and Industry. "Students parking and having activities would help existing businesses and create some opportunities for some creative merchants down there."

Some business owners were skeptical that students would walk north of the center and patronize businesses. Still others were concerned it would drive up rents.

But many business owners and employees said Friday the sale was a positive step towards rebuilding downtown and filling the empty storefronts that plague South Main Street.

"The very fact of somebody being there rather than nobody being there has to mean something," said Sheldon Block, owner of Outlet Army and Navy, 113 S. Main St. "There will definitely be more traffic, and traffic is what's needed."

Block, who has owned the store since the 1980s, said the telemarketing company that

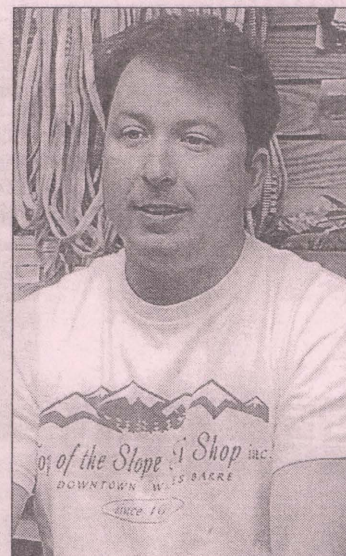


Tinson

built the call center in 1999 never employed enough people to boost nearby business. With Wilkes owning the building, more people will be going to the center and walking on the street.

Carmen Tinson, who owns a building and a hair salon a block south of the center, was also optimistic. She said she hopes to rent apartments above her salon to Wilkes students.

"I can't wait for it to come,"



Miscavage

Tinson said. "More kids, more business. More people, more business."

But some employees at businesses along South Main Street were not so certain the purchase would bring in more commerce — at least not yet.

"It's a fine line between living and shopping in the city," said Michael Miscavage, the manager of Top of the Slope Ski and Rental Shop, 100 S. Main St. "Time will tell. It isn't

going to hurt."

Steve Greene, owner of The Video Game Store, 41 S. Main St., in Midtown Village, was concerned the purchase, along with the construction of the new movie theaters, would drive up rents.

He said he didn't foresee any increased business because of the call center purchase, especially because college kids frequent his used-video game store anyway.

"The rent will go up, and then my goose will be cooked," he said, adding that he's been at his current location for only a year.

At least one property owner said Friday he wasn't going to raise rents. Brian Urbanas, co-owner of a three-story building at 115 S. Main St., said rather than raising rents, there will be a new restaurant and bar opening up at one of the storefronts in his building — something that would have happened with or without the call center deal.

Block, the owner of the army and navy store, said new stores and attractions — like Urbanas' — are exactly what downtown needs.

Call Center fiasco finally fixed

6-24-05

Here's hoping the future turns out better than the past for two high-profile properties which are about to change hands.

The infamous call center on South Main Street Wilkes-Barre is in line to become part of the Wilkes University campus.

WILKES

UNIVERSITY

WILL BUY IT

AND USE IT FOR

OFFICES AND

RECREATION.

The Market Street Square complex on Wilkes-Barre Boulevard is being considered by the county commissioners as a potential part of a Wilkes-Barre to Scranton to New York train system.

The call center's history exemplifies the problems government can run into when it gets into the real estate development business.

Wilkes-Barre built the call center to rent to a business that did telephone solicitation and answering. The business vacated the building. The city was left with no income from rent and huge mortgage payments on the structure.

The takeover by Wilkes University gets the city off the hook. And the university anticipates making good use of the space for offices, classrooms and student/staff recreation.

This is a very promising development.

The possible purchase of Market Street Square by the county also has a lot of promise, but also some risk.

If train service is reestablished between Wilkes-Barre and Scranton and New York City, the station will be perfect for railroad arrivals and departures. It might also fit in well with plans to develop pedestrian areas along the riverfront and theaters and shops in downtown Wilkes-Barre. The concept of a line of recreation and shopping sites stretching along three city blocks is exciting.

One caution, however, must be put forth about the Market Street Square purchase. It is a case of a government, the county, becoming involved in real estates development. And, as such, it is imperative the success of the project be as certain as humanly possible. If it fails, as did the call center, the cost to the taxpayers can be high.

That said, we generally believe the train station initiative is a good one. We've been consistent supporters of the idea of a rail link from Wilkes-Barre to Scranton to New York. And we're immensely pleased the call center will be purchased by Wilkes University — ending one of the worst financial episodes in city history and enhancing the neighborhood of the South Main Street and South Street intersection.

Finally, a bonus for the city and Wilkes is the planned transfer of the parkade across from the call center to the university.

The school can definitely use more parking.

Wilkes University plan calls for green space on campus

By Mike Cherney
Staff Writer

CV
6-24-05

Wilkes University's purchase of the call center is the first step in the university's 20-year development plan, an initiative finalized in April that promises to "upgrade our campus image," Wilkes University President Tim Gilmour said Thursday.

The plan seeks to build a better college atmosphere and anchor Wilkes-Barre redevelopment by creating more green space, renovating facilities, reducing traffic along River Street and bringing more students into downtown.

"Our goal is to contribute to the development of the city and its revitalization," Gilmour said, adding that the university puts together a new development plan every 10 or 15 years. "It reorients us from being three blocks to being an organic part of the city."

By creating classrooms, offices, and recreational facilities in the call center, which has remained vacant for the past three years, university officials hope to improve public safety in the area and bring students and faculty downtown.

The purchase of the 550-space garage will provide students and faculty with ample parking and allow the university to grass over parking lots currently located in the middle of campus.

"(It'd be nice) if they fixed up the greater Wilkes-Barre area, even if it's just a coffee place here or there," said 19-year-old Abby Goodman, a sophomore studying elementary education who lives in Larksville. "Even though I'm a commuter, I still like to spend time here efficiently."

Some students said Thursday that there is not enough parking on campus. But that will soon change. Jack Chielli, director of marketing and communications for Wilkes, said the university currently has "nowhere near the number" of parking spaces acquired through the purchase of the call center's parking garage.

The university may also renovate a number of dormitory halls and athletic fields as part of the master plan, and could turn Stark Learning Center into a dorm and construct a new building for the sciences.

The plan also envisions reducing River Street to a two-lane boulevard and redirecting traffic into the center of town.

Heather Feher, a 32-year-old Wilkes graduate student who also received her undergraduate degree from the university, said some parts of the plan would make student life on campus more enjoyable.

She said she remembered the traffic was noisy when she was taking a class at a building on River Street. The university has also built a lot of green space since she was at the college, giving Wilkes more of a "campus feel."

"It'll make (students) feel more of a college atmosphere," the kindergarten teacher said of the new plan.

Scott Byers, vice president for finance and operations, said the university held forums on the plan so community members and students could offer feedback.

"It's kind of a living document," he said. "It's not set in stone."

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Wilkes University buys Call Center, parking garage

The deal removes a debt burden from the city and allows the school to expand.

By LANE FILLER
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WILKES-BARRE — City officials and Wilkes University inked a sales agreement for the Call Center and the Park 'N' Lock South at a press conference Thursday, relieving city taxpayers of a financial burden and giving the college a little room to grow.

The deal, valued at \$7.9 million, will actually save the city close to \$14 million in interest and principal over the next 14 years.

Mayor Tom Leighton, Wilkes President Tim Gilmour and others spoke Wednesday, using the opportunity to tout the move as beneficial to the city and the school. They also used the microphone to reiterate Leighton's "I Believe" message again and

again.

Wilkes will rename the building "University Center on Main," and has tagged the purchase as the start of its 20-year master plan for growth.

The Call Center will offer one-stop shopping for student services and will contain administrative offices, classrooms for graduate and continuing education programs, and a large recreational and athletic practice area.

Renovations are expected to cost nearly \$2 million.

Wilkes is also in conversation with representatives of national coffee and bagel chains as a possible tenant for the center.

More than 150 people attended the announcement in the cavernous facility, still dotted with computers and cubicles left by the former telemarketing tenant. Many attendees were Wilkes employees who jokingly called dibs on leftover monitors and phones.

Wilkes also picked up nearly 600 parking spaces with the purchase, but will still honor a lease with apartment building University Commons (formerly 10 East South Street) which provides tenants with 75 spaces in the garage.

Gilmour said the deal will close in about 30 days and the building will begin to be used in three months and could be fully occupied within a year.

"This reorients us to being an organic part of the city, connects us with the river and South Main Street, and allows us to be an anchor for the tremendous revitalization the city is about to experience," Gilmour said. "We hope to increase the presence of students and staff in the area, which will in turn increase traffic for businesses and security."

Leighton touted the fact that the sale, which he called "our number one priority in 2005," had taken place after cooperation



TIMES LEADER STAFF PHOTO/S. JOHN WILKIN

Wilkes University will convert this large area of the former Call Center on South Main Street into an athletic complex, with offices on the second floor.

between the state, county, city and chamber allowed the facility to be shown to more than 40 prospective buyers in 18 months.

He added that the county would receive \$380,000 and the state and federal governments \$200,000 in reimbursements

from the sale

"This also allows us to stick to our economic recovery plan and satisfy AMBAC (the underwriter of Wilkes-Barre's debt) that we are recovering," Leighton added.

With this hurdle out of the way, the city is expected to refinance a

\$35-million pension bond in the next several months that would have been impossible to swing with the Call Center liabilities still on the books.

Lane Filler, a Times Leader staff writer, may be reached at 829-7250.

TL 6-24-05

W-B sells Call Center

Wilkes University buys that site and parking garage

News, 6A

Wilkes gets variance to take over call center

By Denise Allabaugh
Staff Writer

CV
6-23-05

Wilkes-Barre Zoning Hearing Board unanimously granted Wilkes University a variance to take over the former call center at 169 S. Main St.

Wilkes plans to establish university offices, classrooms and space for athletic practice and student/staff recreation at the

center, said Scott Byers, vice president of finance for Wilkes, told the zoning board Wednesday.

"We believe this will provide enhancement and stability for the block," Byers said. "The building and the area surrounding the building will be much more alive with people and activity which promotes stability to that neighborhood,

which currently has some challenges."

Wilkes-Barre Redevelopment Authority now owns the call center. The authority will sign an agreement finalizing the sale to Wilkes today, said Attorney Frank Hoegen of the Redevelopment Authority. A press conference will be held at the

SEE CENTER, PAGE 27

Center: Wilkes University closer to purchase of closed call center

FROM PAGE 3

call center today at 11 a.m.

"We believe the sale of this is instrumental for the entire city," Hoegen said.

The city owes approximately \$7.9 million on the call center, Wilkes-Barre Finance Officer John Koval said. Wilkes will take over the debt service payments, he said.

"Whatever the purchase price is, that's exactly what's owed," Koval said.

The amount has not been determined, Hoegen said.

"The purchase price and the debt will probably equal out. It will get rid of the debt from the Redevelopment Authority and it will take the debt off the back of the city," Hoegen said. "The amount is consistent with the value of the building in its present condition. They are getting it for what it's worth. We are paying off the debt. Everybody wins."

The 80,000-square-foot call center closed Dec. 20, 2002, leaving more than 150 workers

out of work.

Employees were given no advance notice of the center's closing. Since 2002, city officials have been working to sell or lease the building.

Wilkes also will purchase the former Park N Lock South from the Redevelopment Authority. The parking garage has 550 spaces, 75 of which are leased to an apartment building at 10 E. South St.

HEIDI RUCKNO, staff writer, contributed to this report.

Zoning for call center changed

Approval of the variance
allows the city to sell the site
to Wilkes University.

By LANE FILLER
lfiller@leader.net

TL
6-23-05
WILKES-BARRE – Faced with no opposition from neighbors, the Zoning Hearing Board unanimously approved a variance that will allow the city to sell the call center Wednesday.

Wilkes University will hold a press conference today to announce the acquisition of the building.

Wednesday's hearing served notice that the university will be allowed to use the building for classrooms, offices and athletic practice areas. Those uses are not allowed in commercially zoned areas such as the part of South Main Street where the call center is located without a variance.

City Council on Tuesday also passed the first reading of an ordinance that will make it easier for the colleges to expand to other parts of the city. Projects will first require the approval of the Zoning Hearing Board, but it will be easier to get.

The sale removes about \$9 million in obligations from the city, but also removes the property from the city's tax rolls.

Mayor Tom Leighton has pointed out that Wilkes is generous with its annual payment in lieu of taxes to the city. He added that Wilkes was the only legitimate buyer to show real interest.

The sale clears the way for the city to refinance a \$35 million pension bond this year.

Leighton has said refinancing that bond is a priority if the city is to stick to its economic recovery plan. AMBAC, the New York-based company that underwrites the city's debt, demanded that the call center issue be resolved before any more refinancing took place.

Wilkes-Barre defaulted on a \$220,000 call center payment in 2002, forcing AMBAC to pony up the money.

The city has been rushing to get the call center deal done and pension debt refinanced before Sept. 1, when a nearly \$900,000 interest-only payment on the current bond is due.

As for the effect the sale will have on the area, Redevelopment Authority Chairman Bill Brace said, "I think the area will be enhanced because a long-dormant building is now going to be active and vital. This is a positive for the city both because it alleviates a financial burden and because it's another step in revitalizing downtown."

Lane Filler, a Times Leader staff writer, can be reached at 829-7250.

Council paves way for call center sale

A resolution passed Tuesday will allow Wilkes-Barre to sell the site to Wilkes University.

By LANE FILLER
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TL
6-22-05
WILKES-BARRE — Tuesday evening, the City Council laid a piece of the foundation for the final sale of the call center to Wilkes University.

The council rescinded an ordinance passed when the facility was first built giving the city the right to purchase the call center from the Redevelopment Authority for \$1 if ever it came on the market. The council also passed a resolution authorizing the sale.

Today, Wilkes and representatives of

the authority will appear before the Zoning Hearing Board seeking a variance allowing collegiate uses such as classrooms and athletic practice facilities in the South Main Street building.

Much as if the variance had already been granted, Wilkes has called a press conference for 11 a.m. Thursday to announce the acquisition.

"I've not heard that there's going to be any protest on this, so we're hoping for smooth sailing," authority Chairman Bill Brace said, echoing city zoning and planning officials who have said there appears to be no fight planned against the variance.

The sale will relieve the city of approximately \$9 million in debt obligation, opening the door to an improved credit rating and the refinancing of a \$35 million pension bond.

Walter Griffith, a frequent critic of Mayor Tom Leighton's administration, questioned Leighton about the fact that the call center will be removed from the tax rolls when the school buys it, and Leighton responded that Wilkes has been generous with its fee in lieu of taxes and no other serious buyer had appeared.

In other business, the council approved several emergency contracts for cleaning debris from creeks, OK'd the replacement of the Police Department's heating and air-conditioning system, and transferred \$250,000 to be used for developing the Intermodal Transportation Center.

Lane Filler, a Times Leader staff writer, may be reached at 829-7250.

Smooth sailing expected for W-B call center sale

Wilkes needs variance to purchase property, and city needs to get it off the books.

By LANE FILLER
lfiller@leader.net

TL
6-16-05
WILKES-BARRE — Right now, the people in the city's planning and zoning office aren't hearing a lot of controversy about the call center.

That might mean there will be no opposition to the sale of

that facility to Wilkes University for classroom, athletic and student services space.

"I haven't had a phone call about it," said Zoning Director Leon Schuster. "And normally, if there is going to be a big issue, I would have heard something."

The South Main Street property is in a commercially zoned area and college uses are not allowed except through a variance from the zoning hearing board.

The board is scheduled to deal with the issue at a special

meeting June 22.

Why can't colleges operate within a commercial zone? Board solicitor Charles McCormick said history is a big reason.

"College uses for King's and Wilkes were originally limited to their respective areas mostly to prevent colleges from sprawling into residential areas," McCormick said. "But so much has changed in the last 30 years. Where there once were small stores and small commercial en-

deavors, there are uses that are much more compatible with the colleges in areas such as the one the call center occupies."

Wilkes requires the variance to buy the call center, and the city needs to sell the call center to get it off the books. AMBAC, a New York-based insurer of bonds, would then help the city refinance a \$35 million pension bond. That way, the city could avoid bond payments that will soon approach \$5 million per year.

Without a variance that would clear the way for a sale, the city could be too strapped to spend on economic development.

An ordinance making it much easier for colleges to get these approvals has been tabled by city council, but on the face of it, there seems little opposition to Wilkes getting the call center.

"This is just how the zoning ordinance was written originally," Schuster said, adding that in his 24 years with the city, the law hadn't been amended.

"I think it was originally structured to keep the colleges in their traditional areas, and that would have been based on the city's comprehensive plan at that time. But some things have changed, which is why the changes in the ordinance that would make this kind of thing easier for colleges have been recommended by both the planning and zoning boards."

Lane Filler, a Times Leader staff writer, may be reached at 829-7250.



MARK GULDISH

OPINION

These guys are bursting with brilliance

NEW ITEM: In their continued quest for efficiency, the Luzerne County commissioners have apparently decided to convert the Penn Place parking lot – which is under the building, where the first floor would ordinarily be – into offices. Cost estimates have run at \$2 million to \$3 million, which comes on top of some \$7 million already spent to buy and renovate the structure.

Commissioners, however, were unwavering in their belief they will save by spending. For starters, they said, if they keep the macadam pavement as the floor for the new offices, they expect to get exceptional wear.

“Come on!” Commissioner Todd Vonderheid said exuberantly, “It was designed to hold dozens of 3,000-pound vehicles. Surely it can withstand any foot traffic we throw at it. And think of the cleaning costs. Hose it down once a week and you’re done!”

There is even a proposal to make a drive-through service window.

“It’s a natural,” Vonderheid said. “Why should people have to get out of their car just to get a dog license, register to vote, or have a DUI hearing at a magistrate’s? Heck, we might even put a visitor parking space next to each new office!”

As part of the conversion, Commissioner Greg Skrepenak was delighted to announce the creation of the Office of Space Studies, designed to save money by eliminating repeated use of consultants who keep doing space studies to make county government more efficient and accessible as it outgrows existing buildings.

“We’re bringing Space Studies in-house,” Skrepenak said. “Of course, it will take up a good bit of space to store all the studies, but don’t worry, we’ll be conducting a study on how much space we can save by computerizing those studies.”

No room for naysayers

Both men dismissed minority Commissioner Steve Urban’s complaint that there has never been enough parking at Penn Place to begin with, and that the new plan doesn’t provide parking for all of the workers who will lose their car spots to offices.

“Steve’s a wimpy whiner who can’t bring himself to say ‘I believe ...,’” Skrepenak said, stealing the new Wilkes-Barre city slogan, complete with ellipsis. “We don’t need namby-pamby naysayers impeding progress as promised.”

Besides, Vonderheid added, “We are already conducting a study of parking spaces, and have some great plans in the pipeline.” Those plans include converting the upper floors of the Sterling Hotel and the auditorium of the Irem Temple into parking garages.

“We’re poised to grow, and this fits perfectly with our plans,” Skrepenak effused. “Visitors will be able to ride a modern train to the historic station, or a bus to the soon-to-be built intermodal transportation hub.” (When asked, he declined to explain why trains aren’t intermodal enough to also use the intermodal hub).

“Once in town, tourists can take in a movie at the modern theater hidden behind old store facades, walk to the river under new old-fashioned lights and step through a giant levee gateway to stroll along the lake created by the inflatable dam that holds back crystal clear, untainted water.”

Admitting all of this new attraction will require even more parking, Vonderheid uncorked yet another plan that he called “perfectly logical.”

“We’re negotiating with Wilkes University,” Vonderheid said. “Once they buy the empty call center from Wilkes-Barre, we’re going to lease all the office space on the first floor and convert it to parking.”

Call Mark Guldish at 829-7161 or e-mail mguldish@leader.net

Authority votes to start talks to sell call center to Wilkes

Sale to university will take place soon

By Heidi E. Ruckno
Staff Writer

CV-9-05
6-9-05

The monkey known as the Call Center is now one step closer to getting off the city's back.

The Wilkes-Barre Redevelopment Authority voted unanimously Thursday to negotiate the building's sale to Wilkes University.

According to Frank Hoegen, one of the redevelopment authority's attorneys, a proposal is already on the table.

Included in the sale will be the call center building and an adjoining surface lot, the pedestrian easement and bridge, and the Park and Lock South Garage, said redevelopment authority Chairman Bill Brace.

The final purchase price is still being negotiated, Hoegen said.

"It will be an amount sufficient to satisfy the obligation," said Hoegen, who will negotiate the sale. He expects the sale to close "as soon as possible."

The properties included in the sale were appraised, but city officials did not yet know

their fair market value, City Administrator J.J. Murphy said.

Murphy also asked the authority to transfer ownership of a small parcel of land, located near the North Cross Valley Expressway back to the city. The authority approved the transfer, after a fair market value is determined.

In other business, the authority also voted to transfer a portion of Dyer Lane, adjacent to the site of the former theater project on South Washington Street, back to the city. Under construction at that site is a Department of Labor and Industry office building.

The authority also voted to transfer a strip of land along Pennsylvania Boulevard, in front of the Planters Peanuts Building and the former Shapiro Scrap Yard, back to the city. Plans are in the works to redevelop that site as well.

The authority, acting as the Downtown Development Authority, agreed to negotiate the sale of a small parcel of land to Blue Cross, after a fair market value is determined. The parcel is adjacent to the company's North Main Street building.

hruckno@citizensvoice.com

Authority hesitates to join suit against call center owner

By James Conmy
Staff Writer

CV
5-11-05

When 59 former South Main Street call center employees received a \$364,138 judgment in 2004 against their former employer their fight had just begun.

Customer Satisfaction First, the defunct Texas company, claims to have no ability to pay employees' outstanding wages and damages for violating Pennsylvania closure notice laws.

Employees must now prove

owner Gordon McKenna's operation of the company violated corporate law, said the employees' attorney Alan Crone.

But the employees have a problem. An investigation into McKenna's assets and convincing a Texas court to hold him personally liable for damages could top \$75,000. A bill too steep for his clients, Crone said.

Partnering with Wilkes-Barre's redevelopment authority, which also has a \$700,000 judgment against the firm, is their only hope, Crone said.

"The plan was to try to hook

up with the redevelopment authority and join forces to go after McKenna and his new enterprise (Customer Service First) down in Dallas," Crone said. "We feel he owes the city and my clients a bunch of money."

Customer Satisfaction First fell months behind on monthly lease payments for the authority-owned building before finally closing Dec. 20, 2002. The judgment is for lost rent.

The authority is hesitant to jump on board because proving McKenna "pierced the corporate veil" would be extreme-

ly difficult, said authority solicitor Francis Hoegen.

A legal victory also does not guarantee the money would be recovered because of possible bankruptcy filings, he added.

"Even if you are able to overcome that burden, there is no guarantee at the end this company or Mr. McKenna has any money to pay," Hoegen said. "We didn't want to throw good money after bad. That's the big risk."

The redevelopment authority is focusing on new projects like the Department of Labor

and Industry office building on South Washington Street, Hoegen said. It does not have \$75,000 to waste on problems carried over from the previous administration, he said.

As a result, the authority board postponed pursuing legal action until Crone could provide them with his arguments they could win the case.

Crone concedes "piercing the corporate veil" will be an uphill battle. He respects the board's decision, but just

SEE SUIT, PAGE 4B

Suit: RA has no plan to join lawsuit

FROM PAGE 5
wished he were notified of its intentions.

Crone claimed phone calls and letters to Hoegen about the case have gone unanswered and his clients have been forced to wait.

Hoegen disagreed by saying he informed Crone of the board's intentions. The board also would reconsider if Crone has a strong legal argument, Hoegen said.

Crone plans to contact Hoegen this week and present his case. He would not outline those arguments because of possible litigation, but said there is proof to establish McKenna's liability.

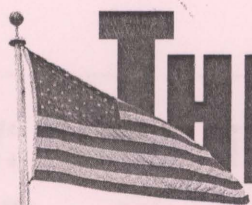
"We were hoping the (authority) would meet us halfway," Crone said. "It's not like we're asking for a handout. We would be willing to negotiate a split with them. We don't want something for nothing."

jcanny@citizensvoice.com

FRIDAY
June 24, 2005
Wilkes-Barre, PA

78 Pages

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Law

High court ruling could affect W-B dispute.

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Before-concert fun on Montage Mountain.

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3 share lead after first round at Glenmaura.

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Weather on page 2



One less headache

Wilkes University's purchase of call center will save Wilkes-Barre millions



WILKES UNIVERSITY plans to upgrade its campus image. **PAGE 3.**

By Denise Allabaugh
Staff Writer

Wilkes University officially purchased the former call center on South Main Street in Wilkes-Barre on Thursday for \$7.9 million, a deal that will wipe out the city's debt on the building.

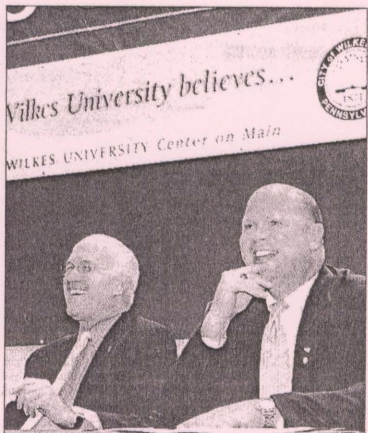
Wilkes President Tim Gilmour joined Wilkes-Barre Mayor Tom Leighton and Wilkes-Barre Redevelopment Authority Chairman Bill Brace at the call center to sign an agreement finalizing the deal.

"Today is truly a great day to believe in the City of Wilkes-Barre," Leighton said. "I want everybody to know what a long road it has been to get to this day."

The announcement ended nearly three years of efforts to find a suitable owner for the 80,000-square-foot building. The call center has been vacant since 2002 when Customer Satisfaction First closed, leaving more than 150 people out of work and the city in debt.

Wilkes will continue to pay the city's \$1 million in annual debt services.

SEE BUY, PAGE 20



WARREN RUDA/CITIZENS' VOICE

Wilkes bought the call center and nearby parkade for \$7.9 million, relieving the city of a financial burden. At bottom right, Mayor Tom Leighton, right, and university President Dr. Tim Gilmour announce the deal Thursday at a press conference.

Remembering our vets: New monument will be dedicated in Hanover Township. Page 4

CONTINUED FROM...

Buy: Wilkes announces it's buying closed call center from W-B

FROM PAGE 1

Leighton said.

CU 6-24-05
"When we close this deal, we will be removing \$14 million of taxpayers' money on this property over the next 14 years," Leighton said. "This was the city's number one priority in 2005."

Wilkes will spend an additional \$1.9 million to renovate the center to provide new space for student services and athletic and recreational activities, office operations, classrooms for graduate programs and consolidated administrative services.

"This is a historic day," Gilmour said. "We continue to believe in Wilkes-Barre. This is a real demonstration of Wilkes University's commitment to the city and its improvement."

The building will be renamed "University Center on Main," Gilmour said.

"We want this to become a one-stop location for all student services," Gilmour said. "We believe we can convert this into a wonderful indoor recreational and practice facil-

ity for our students and our athletic teams."

As a non-profit entity, Wilkes does not pay taxes to the city. According to city finance officer John Koval, Wilkes increased its payment in lieu of taxes from \$42,611 in 2003 to \$61,000 this year.

Since the site is located in a Keystone Opportunity Zone, the city did not receive any taxes on the building since it opened in 1999.

"Wilkes University has brought the best deal for the City of Wilkes-Barre," Leighton said.

The agreement also shows New York-based bond insurer AMBAC that the city remains committed to its five-year fiscal recovery plan.

"The ramifications of this deal will allow us to continue to move forward, to solidify our financial future and open the door for increased economic development," Leighton said.

Wilkes is one of the city's

largest employers with more than 400 full-time employees and 150 part-time employees. The university contributes more than \$300,000 in payroll taxes to Wilkes-Barre and neighboring communities, Gilmour said.

"We certainly intend to stay here," Gilmour said. "Universities don't pick up and move in two years."

In addition to the call center, Wilkes also purchased the 550-space Park N Lock South and an adjoining surface parking lot from the Wilkes-Barre Redevelopment Authority. Seventy-five spaces in the six-story parking garage are leased to 10 E. South St. apartment building.

Wilkes plans to relocate its public safety unit to the first floor of the parking garage to provide added security.

"We believe this call center purchase is a classic win-win situation for the city and for us," Gilmour said. "It provides us space we need for parking and for our operations. We

hope this is part of a major revitalization and we will be a stable partner in this facility."

Wilkes' presence on South Main Street also will provide a substantial increase in foot traffic for local businesses.

"We will create a real center of activity, one that is really 24-7," Gilmour said.

Since Brace became chairman of the redevelopment authority in 2004, he has been working with the Greater Wilkes-Barre Chamber of Business and Industry to try to market the building.

"We are doing away with a major financial drain on the city," Brace said. "We are hoping this major step will lead to further efforts to restore the city fiscally and bring about a complete recovery to the downtown."

Wilkes gave the redevelopment authority a \$100,000 deposit. The university has 30 days to complete inspections and will close on the building on July 23.

OUR VOICE

The call center, a lesson learned

CV 8-10-05

One of the worst chapters in Wilkes-Barre financial history officially closed this week. And, from this chapter, hopefully, a lesson was learned.

The city on Monday turned ownership of the call center building on South Main Street to a new owner. In doing so, it got out from under \$1 million per year mortgage payments and nearly \$8 million in mortgage debt on a building that was vacant.

**NEVER
SHOULD CITY
BE OWNER OR
DEVELOPER OF
COMMERCIAL
PROPERTY.**

The lesson the city should have learned goes back to the administration of Mayor Tom McGroarty. Large-scale projects are best left to expert private developers. The city built the call center with the intention of renting it out to a telephone answering company. But the company abandoned the building shortly after it was completed. And a second telephone answering company did the same thing.

For more than two years, the city had been left holding the bag, making mortgage payments on the empty facility. Never again should the city become the owner or developer of commercial property.

On the upside, the new city administration managed to forge a win-win situation by selling the call center to Wilkes University. The building will be used for offices, administrative services, athletic and recreational activities. It will be renamed "University Center on Main."

And that's another good development. Said Wilkes president Tim Gilmour, "I hope we can contribute to life in the city at night through this building."



**WILKES
UNIVERSITY**

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News Release

MARKETING COMMUNICATIONS OFFICE

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Assistant Director, Marketing Communications Office

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Wilkes University Signs Purchase Agreement for Former Call Center

Renames facility University Center on Main

(June 23, 2005) Wilkes-Barre, Pa. – At a news conference today, Wilkes-Barre Mayor Tom Leighton and Wilkes University President Tim Gilmour announced the university's intent to purchase the former call center and adjacent parking garage on South Main Street. Wilkes has renamed the building University Center on Main.

The agreement of sale, signed by both parties, clears the way for the university to purchase the facilities from the city's Redevelopment Authority for \$7.9 million - a deal both city and university officials said will re-orient the university's campus and breathe new life into the business district.

"This is what I mean when I say I believe in Wilkes-Barre," said Leighton. "Good things are happening. Wilkes University is a great partner. If this doesn't get people believing, I don't know what will."

For Wilkes University, the agreement is the first major step in implementing its new 20-year master plan. "This new building gives Wilkes the room we need to offer more and better services to our students, helps the city to revitalize the business district with a stable partner, and makes us a greener, more pedestrian campus," Gilmour said.

Leighton and Gilmour said the agreement is a perfect "win-win" for both entities and sends a clear signal that the future is bright for both the university and the city.

-more-

After closing on July 23, Wilkes plans to spend an additional \$1.9 million renovating University Center on Main (UCOM) to provide new space for student services and athletic and recreational activities, office operations, classrooms for graduate programs and consolidated administrative services. UCOM will also re-orient the campus east and west towards the river and business district -- a major recommendation of the university's master plan. Wilkes is also exploring locating a food service provider in the Main Street storefront area.

For the city, the agreement will free up \$7 million in debt service payments, including \$1 million in annual debt service, insurance, utility and maintenance costs. Wilkes University's presence on Main Street provides stability -- and a substantial increase in foot traffic to local businesses. The 550-space parking garage will help hundreds of students and faculty integrate with the business district. Wilkes plans to relocate its public safety unit to the first floor of the Park and Lock South parking garage to provide added security.

The university's 20-year master plan calls for creation of a more pedestrian-friendly campus while celebrating the historic significance of Wilkes-Barre and renovating other facilities. The plan envisions reducing River Street to a two lane "quiet boulevard," and redirecting traffic through the center of town. The university is also exploring construction of a new building for the sciences and converting Stark Learning Center to dormitory space. Renovations to the Darte Center and Bedford Hall are also included, as are plans to improve and expand the athletic fields, Munson Fieldhouse and the Marts Center.

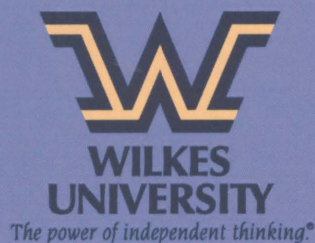
"Over the next 20 years, Wilkes plans to invest in its infrastructure and surrounding environment to enhance the quality of learning and living experiences for our students and faculty," Gilmour said. "We also want to be an active partner in the city's revitalization."

Wilkes is the managing partner in the Joint Urban Studies Center, a regional think tank for improving governments, sponsored community forums on creating cultural space for local artists, and voluntarily increased its payment for services to the city by over 50 percent. In addition, Wilkes purchases \$16.8 million of dollars of services and is one of city's largest employers, contributing more than \$300,000 in payroll taxes to Wilkes-Barre and neighboring communities.

The announcement ends nearly three years of efforts by the city to find a suitable owner for the 80,000-square-foot building, which has been vacant since December 2002, when the Texas-based Customer Care First closed its doors.

Wilkes Fast Facts

- CHARACTER:** Private four-year independent, non-denominational, University
- HISTORY:** Founded in 1933 as Bucknell University Junior College; became Wilkes College in 1941, and Wilkes University in 1990
- LOCATION:** Northeastern Pennsylvania in the city of Wilkes-Barre, population 50,000, within a metro area of 300,000; two hours west of New York City and 2 hours north of Philadelphia
- ENROLLMENT:** 2,300 undergraduates, 48% men, 52% women, representing 21 states and 8 foreign countries
- ACADEMIC STRUCTURE:** College of Arts, Humanities, and Social Sciences; College of Science and Engineering; Jay S. Sidhu School of Business and Leadership; Nesbitt College of Pharmacy and Nursing; University College
- AVERAGE SAT SCORE:** 1065
- EMPLOYEES:** 400 Full-time; 150 Part-time
- PLACEMENT:** 96% within a year of graduation placed into jobs or graduate school
- RESIDENTIAL:** 71% of first-time freshmen live on campus
- CAMPUS:** 27 acres; 48 buildings
- ATHLETICS:** 14 NCAA Division III sports as follows:
Men's: Baseball, Basketball, Football, Golf, Soccer, Wrestling, Tennis
Women's: Softball, Basketball, Field Hockey, Tennis, Lacrosse, Soccer, Volleyball
- FINANCING:** 91% of full-time undergraduates receive some form of financial aid
- MAJORS:** 35
- VOLUNTEER HOURS:** 17,000 served by students, staff and faculty in one year
- ORGANIZATIONS:** 73 Student-run
- AVERAGE CLASS SIZE:** 22
- INCOMING CLASS SIZE:** Approximately 580
-



WILKES UNIVERSITY'S FrontPage *A snapshot of a successful university*

May 2005

SIFE Team Captures Fourth Consecutive Regional Championship



▲ The Wilkes University SIFE team celebrates their regional championship win. Pictured are: (bottom row, l-r): Denise Cole, Tara Smith, Alicia Vieselmeyer, Dennis Nelson. (top row, l-r): Casey Grimm, Andrew Eckert, Dr. Jeffrey Alves, SIFE advisor and Director of the Allan P. Kirby Center for Free Enterprise and Entrepreneurship. Absent from Photo: Amanda Felegi, Nicole Hahn, Danielle Namiotka, Jenna Strzelecki

Wilkes University's Students in Free Enterprise (SIFE) team recently captured their fourth consecutive Regional Championship at the 2005 SIFE Regional Competition and Career Opportunity Fair in New York City. The event was one of 21 SIFE USA Regional Competitions being held across the United States in April. The team will now advance to the national level of competition at the SIFE USA National Exposition May 22 – 24 in Kansas City, Missouri.

After presenting a report of their year-long community outreach projects to a panel of business leaders, the Wilkes SIFE team was named the regional champion in the overall competition and finalist in the Investment Banking and Markets Division of HSBC SIFE USA National Personal Financial Success Skills Competition.

During this academic year, the Wilkes SIFE

team organized 11 projects serving the Wilkes-Barre and northeastern Pennsylvania communities. They included the elementary school Building a Global Community Program; the high school European Expansion Program; the regional high school Wilkes University Entrepreneurial Experience Program; the Northwestern Lehigh High School Futures II Mentoring Program; the university freshman Integrated Management Experience Mentoring Program; the community service REACH Program; the high school Personal Finance Series Program; and, the university Kirby Lecture Series in Free Enterprise and Entrepreneurship.

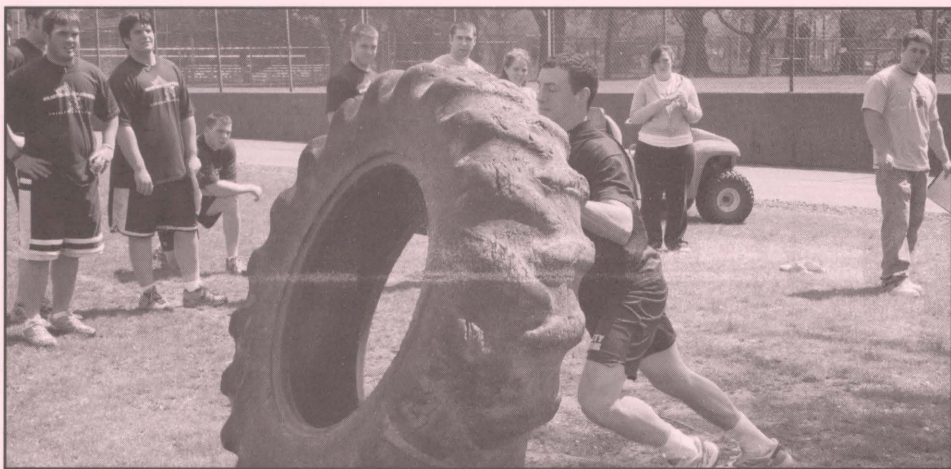
SIFE is an international non-profit organization that mobilizes university students to create economic opportunity for others while discovering their own potential.

Wilkes Announces RFK Jr. as Commencement Speaker

Wilkes University recently announced environmental advocate, attorney and political activist Robert F. Kennedy Jr., as the keynote speaker for the 58th annual spring commencement on Saturday, May 21, 2005. In light of plans for riverfront development in Wilkes-Barre, Wilkes invited Kennedy to deliver the commencement address because of his focus on river ecology and environmental advocacy. Kennedy was named one of *Time* magazine's "Heroes for the Planet" for his success helping Riverkeeper lead the fight to restore the Hudson River. Kennedy serves as Senior Attorney for the Natural Resources Defense Council, Chief Prosecuting Attorney for the Hudson Riverkeeper and President of Riverkeeper Alliance. The son of former Attorney General and presidential candidate Robert F. Kennedy and nephew of former President John F. Kennedy, RFK Jr. has worked on environmental issues across the Americas.

Board Approves Master Plan

Wilkes University's Board of Trustees approved a Master Plan concept during their April meeting. The Master Plan was prepared by a community-wide steering committee and consultants to create a long-term plan for sustainable development of Wilkes facilities and the campus. The 20-year plan calls for extension of the campus to Main Street, enhancement of the campus green space and creation of a more pedestrian friendly environment on campus while also benefiting Wilkes-Barre city. The plan includes purchase of the Call Center building on South Main Street which would provide the University with flexible space to consolidate student services and create a "one-stop-center" for campus customers. It would also provide classroom and office space and may lend itself for use as athletic space for intramurals and team practices. The Master Plan also proposes construction of a new science building and conversion of the Stark Learning Center to residential space. Renovations to the Darte Center and Bedford Hall are also included as are plans to improve and expand the athletic fields, Munson Fieldhouse and the Marts Center.



▲ John Zelena '04 competes in the tire flip event during the Colonels Charity Challenge at the Ralston Athletic Complex. More than 200 student athletes, coaches and members of the Wilkes community participated in the event.

Athletes and Coaches Host Colonels Charity Challenge

Wilkes University's athletic department recently hosted the first Colonels Charity Challenge to benefit Geisinger Children's Hospital and the Kidney Cancer Association. The Colonels Charity Challenge featured nine endurance and strength events including the sand bag challenge, 800-yard run, 200-yard dash, sit-ups, pushups, the tire flip, the arm hang, the obstacle relay and the team van or shuttle pull. More than 200 Wilkes athletes, coaches and campus community members participated in the competition and raised more than \$2,000 for the charities.

The Beacon Wins National Award

For the third consecutive year, Wilkes University's

student newspaper, *The Beacon*, received first place honors in the American Scholastic Press Association's (ASPA) annual newspaper contest. The ASPA reviews over 2,000 schools annually (colleges, universities, community colleges and high schools) and they compete in categories based on designation and size. *The Beacon* was described by one of the judges as, "a window to your school for everyone to view. By attempting to follow professional guidelines, you have opened this window and succeeded in showcasing the best your students have to offer."

Biology Major Awarded Research Fellowship

Sophomore biology major Shuja Shafqat was recently awarded a \$3,500 summer undergraduate research fellowship from the American Society

of Plant Biologists (ASPB). The highly competitive fellowship program provides opportunities for students to pursue meaningful research in plant biology at their home institutions early in their college career. Shafqat was one of only three students nationwide to be selected in the small school division. Since his freshman year, Shafqat has been involved with faculty-mentored research in oak forest regeneration. In collaboration with Dr. Will Terzaghi, associate professor of biology, Shafqat uses DNA fingerprinting to determine the parents of seedlings in native oak forests. Shafqat will soon begin the 10-week fellowship to continue the oak seedling research with Dr. Terzaghi. He will present his findings at the ASPB annual meeting in Boston, Mass., next summer.

Grant Funds Renovations of Pharmacy Practice Lab

The Nesbitt College of Pharmacy and Nursing recently renovated its pharmacy practice lab in the Stark Learning Center thanks to a \$50,000 grant from CVS Pharmacy. Representatives from CVS, including regional vice president Scott Baker and six district managers, were on hand for the unveiling of a plaque commemorating the "CVS Pharmacy Practice Laboratory." The lab is considered to be the most technologically advanced facility on campus and includes new computers, an examination table, intravenous preparation and counseling areas, a new sound system and white board technology. The laboratory is also a smart classroom with new wireless technology.

Zoning for call center changed

Approval of the variance
allows the city to sell the site
to Wilkes University.

By LANE FILLER
lfiller@leader.net

TL
6-23-05

WILKES-BARRE – Faced with no opposition from neighbors, the Zoning Hearing Board unanimously approved a variance that will allow the city to sell the call center Wednesday.

Wilkes University will hold a press conference today to announce the acquisition of the building.

Wednesday's hearing served notice that the university will be allowed to use the building for classrooms, offices and athletic practice areas. Those uses are not allowed in commercially zoned areas such as the part of South Main Street where the call center is located without a variance.

City Council on Tuesday also passed the first reading of an ordinance that will make it easier for the colleges to expand to other parts of the city. Projects will first require the approval of the Zoning Hearing Board, but it will be easier to get.

The sale removes about \$9 million in obligations from the city, but also removes the property from the city's tax rolls.

Mayor Tom Leighton has pointed out that Wilkes is generous with its annual payment in lieu of taxes to the city. He added that Wilkes was the only legitimate buyer to show real interest.

The sale clears the way for the city to refinance a \$35 million pension bond this year.

Leighton has said refinancing that bond is a priority if the city is to stick to its economic recovery plan. AMBAC, the New York-based company that underwrites the city's debt, demanded that the call center issue be resolved before any more refinancing took place.

Wilkes-Barre defaulted on a \$220,000 call center payment in 2002, forcing AMBAC to pony up the money.

The city has been rushing to get the call center deal done and pension debt refinanced before Sept. 1, when a nearly \$900,000 interest-only payment on the current bond is due.

As for the effect the sale will have on the area, Redevelopment Authority Chairman Bill Brace said, "I think the area will be enhanced because a long-dormant building is now going to be active and vital. This is a positive for the city both because it alleviates a financial burden and because it's another step in revitalizing downtown."

Lane Filler, a Times Leader staff writer, can be reached at 829-7250.



**WILKES
UNIVERSITY**

The power of independent thinking®

News Release

MARKETING COMMUNICATIONS OFFICE

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The agreement of sale, signed by both parties, clears the way for the university to purchase the facilities from the city's Redevelopment Authority for \$7.9 million - a deal both city and university officials said will re-orient the university's campus and breathe new life into the business district.

"This is what I mean when I say I believe in Wilkes-Barre," said Leighton. "Good things are happening. Wilkes University is a great partner. If this doesn't get people believing, I don't know what will."

For Wilkes University, the agreement is the first major step in implementing its new 20-year master plan. "This new building gives Wilkes the room we need to offer more and better services to our students, helps the city to revitalize the business district with a stable partner, and makes us a greener, more pedestrian campus," Gilmour said.

Leighton and Gilmour said the agreement is a perfect "win-win" for both entities and sends a clear signal that the future is bright for both the university and the city.

-more-

After closing on July 23, Wilkes plans to spend an additional \$1.9 million renovating University Center on Main (UCOM) to provide new space for student services and athletic and recreational activities, office operations, classrooms for graduate programs and consolidated administrative services. UCOM will also re-orient the campus east and west towards the river and business district -- a major recommendation of the university's master plan. Wilkes is also exploring locating a food service provider in the Main Street storefront area.

For the city, the agreement will free up \$7 million in debt service payments, including \$1 million in annual debt service, insurance, utility and maintenance costs. Wilkes University's presence on Main Street provides stability -- and a substantial increase in foot traffic to local businesses. The 550-space parking garage will help hundreds of students and faculty integrate with the business district. Wilkes plans to relocate its public safety unit to the first floor of the Park and Lock South parking garage to provide added security.

The university's 20-year master plan calls for creation of a more pedestrian-friendly campus while celebrating the historic significance of Wilkes-Barre and renovating other facilities. The plan envisions reducing River Street to a two lane "quiet boulevard," and redirecting traffic through the center of town. The university is also exploring construction of a new building for the sciences and converting Stark Learning Center to dormitory space. Renovations to the Darte Center and Bedford Hall are also included, as are plans to improve and expand the athletic fields, Munson Fieldhouse and the Marts Center.

"Over the next 20 years, Wilkes plans to invest in its infrastructure and surrounding environment to enhance the quality of learning and living experiences for our students and faculty," Gilmour said. "We also want to be an active partner in the city's revitalization."

Wilkes is the managing partner in the Joint Urban Studies Center, a regional think tank for improving governments, sponsored community forums on creating cultural space for local artists, and voluntarily increased its payment for services to the city by over 50 percent. In addition, Wilkes purchases \$16.8 million of dollars of services and is one of city's largest employers, contributing more than \$300,000 in payroll taxes to Wilkes-Barre and neighboring communities.

The announcement ends nearly three years of efforts by the city to find a suitable owner for the 80,000-square-foot building, which has been vacant since December 2002, when the Texas-based Customer Care First closed its doors.

WILKES UNIVERSITY

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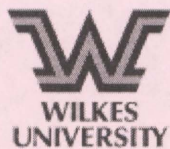
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Campus Community Invited to News Conference Today at 11 AM

(June 23, 2005) -- President Tim Gilmour and Wilkes-Barre Mayor Tom Leighton invite the campus community to a news conference today at 11 a.m. as Wilkes announces its pending purchase of the former call center building on South Main Street. The facility will be renamed University Center on Main (UCOM) and will house a recreational and practice facility for athletic programs as well as offices and classroom space for graduate programs.

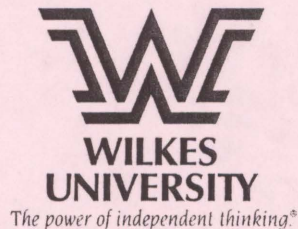
Purchase of the former call center is the first part of the university's 20-year master plan. Join us as we celebrate Wilkes' first steps in a master plan and our efforts to help revitalize downtown Wilkes-Barre.

Refreshments and food will be served. Tours of the building will begin at noon.



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Media Advisory

MARKETING COMMUNICATIONS OFFICE

Contact: Christine Seitzinger
Assistant Director, Marketing Communications Office
V: 570-408-4779 | F: 570-408-7813 | E: tondrick@wilkes.edu

News Conference

Wilkes University, City of Wilkes-Barre Will Announce Plans for Purchase of Former Call Center

- WHAT:** Wilkes University President Tim Gilmour, along with Wilkes-Barre Mayor Tom Leighton and Redevelopment Authority Chairman Bill Brace, will hold a news conference to announce the university's plans to purchase the former call center building on South Main Street.
- Gilmour will discuss plans for the facility, the university's 20-year master plan, and announce the facility's new name.
- WHERE:** Former call center building
153-165 South Main St.
First floor (Main Street entrance)
- WHEN:** Thursday, June 23, 2005
11:00 a.m.
- MEDIA
PARKING:** Satellite trucks may park in the lot adjacent to the former call center which is accessible from South Street. Trucks are also welcome to park on the South Main Street sidewalk alongside the building.

6.22.05 CTS

Tondrick, Christine

From: Frantz, Mike [frantz@wilkes.edu]
Sent: Wednesday, June 15, 2005 2:08 PM
To: Tondrick, Christine; Chielli, Jack; Byers, Scott; Adams, Paul
Subject: RE: UCOM News Conference

Are we doing a signing at the table where Tim and Tom are sitting or a different table or not at all? I don't see tables listed as facility needs. We should also have skirting for the tables or else have them draped with Wilkes banners (perhaps the admissions college fair banners).

Do we need to involve public safety to help with parking issues? If so, will we be able to clean up the parking lot enough to direct visitors to that for the event?

Is there anything we can/should do around the exterior to spruce it up for the event (potted flowers/plants, bug tent over the building, etc.)?

-----Original Message-----

From: Tondrick, Christine [mailto:tondrick@wilkes.edu]
Sent: Wednesday, June 15, 2005 10:26 AM
To: Gilmour, Joseph; Frantz, Mike; Adams, Paul; Byers, Scott; Chielli, Jack
Cc: Van Jura, Rebecca; Golaszewski, Mark
Subject: UCOM News Conference

Per our meeting yesterday, attached is a task list for the UCOM news conference. If any constituents should be removed or added, please email or call Jack.

For your review.

Christine
<<Call Center News Conference.doc>>
Christine Seitzinger
Assistant Director, Marketing Communications
Wilkes University
84 West South St.
Wilkes-Barre, PA 18766
(p) 570-408-4779
(f) 570-408-7813
www.wilkes.edu

Tondrick, Christine

From: Christine Seitzinger [tondrick@wilkes.edu] on behalf of Tondrick, Christine
Sent: Wednesday, June 22, 2005 11:02 AM
To: Chielli, Jack
Subject: University Center on Main - draft today@wilkes

President Tim Gilmour and Wilkes-Barre Mayor Tom Leighton invites the campus community to a news conference on Thursday, June 23 at 11:00 a.m. as Wilkes announces its pending purchase of the former call center building on South Main Street. The facility will be renamed University Center on Main (UCOM) and will house a recreational and practice facility for athletic programs as well as offices and classroom space for graduate programs.

Purchase of the former call center is the first part of the university's 20-year master plan. Please join us as we celebrate Wilkes' first steps in a master plan and our efforts to help revitalize downtown Wilkes-Barre.

Refreshments and food will be served. Tours of the building will begin at noon.

Christine Seitzinger
Assistant Director, Marketing Communications
Wilkes University
84 West South St.
Wilkes-Barre, PA 18766
(p) 570-408-4779
(f) 570-408-7813
www.wilkes.edu

Tondrick, Christine

From: Jack Chielli [chielli@wilkes.edu]
Sent: Tuesday, June 14, 2005 10:41 AM
To: Christine Seitzinger (E-mail); Mike Frantz (E-mail); Paul Adams (E-mail); Scott Byers (E-mail)
Subject: updated agenda

Scott -- Here is the updated version of the agenda with our latest thinking.
Let me know what you find out from the city.

Thanks

Jack

UCOM planning agenda, Tuesday, June 14, 2005

Date - June 23
Time -- 10:30 tour for board members -- 11 a.m. press conference
Place - Inside UCOM South street side

People to speak:

1. Mayor to discuss how this will help the city
2. Tim to discuss how this will help the university and city and how it fits into Master Plan. To mention university's economic impact in the region

People to be recognized for leadership in making initiative a reality

John Blake, gov. rep.
Steve Barrouk, Chamber
Three county commissioners
Wilkes Chairman of Board
DRA representative
City council
FAC
Student government rep.

MC - Scott Byers

People to invite: COPS (Tim to do so Tuesday's meeting); County officials, Wilkes Trustees, Judge Rosen, local businesses, JUSC folks, internal faculty and staff (athletics), city council members, Trivet Reality, Max Bartikowski, Ken Marquis, Jerry Chariton and partners.

Tours - Open all day till 5 p.m.

Refreshments - to be provided by local business

Six foot table for Tim and Tom to sign documents

Hanging banners - possibly for across the street

Wilkes Believes banner, Flowers and ballons

Press kits - programs designed with speaking program and fast facts

Photographer

Flags - U.S., City, State?

Master plan copies on easels

UCOM planning agenda, Tuesday, June 14, 2005

Date - June 21

Time -- 11 a.m.

Place - Inside UCOM South street side

People to speak:

1. Mayor to discuss how this will help the city
2. Tim to discuss how this will help the university and city and how it fits into Master Plan. To mention university's economic impact in the region
3. John Blake - if he wants to ~~GOV. econ Recovery plan~~
4. Chamber Steve Barrouk? ~~Sally Maguire (D.R.A.) or DePhne~~
5. County chairmen commissioner?

People to invite: County officials, presidents of College Misericordia and Kings, LCCC, Penn State, Wilkes-Barre (other officials) Wilkes Trustees, Judge Rosen, local businesses, JUSC folks, internal faculty and staff (athletics), city council members, Trivet Reality, Max Bartikowski, Ken Marquis, Jerry Chariton and partners. *Master planning comt*

MC - ~~Paul Adams, JJ Murphy?~~ *Scott Byers*

Receptions/Tours *Campus folks - public safety*

Podium - Tim wants newer podium (doesn't like the ones with riser) - *smaller Wilkes podium*

~~Tables for signing~~ chairs *for acknowledged folks*

Hanging banners

I Believe banner (theme)? *Wilkes Believes! banners*

Flowers and ballons

Press kits - programs designed with speaking program and fast facts

Photographer

Flags - U.S., City, State?

Master plan copies on easels?

invite beginning Monday

*Rebecca
Donna
Sedor @
Chamber
for list*

*(2) Univ.
ctr on
Main*

*Chairman of Board
D.R.A. rep
Blake
3 Commish's
Blauw
City Council
FAC Chair
S.G. rep*

Develop communication plan

Tondrick, Christine

From: Jack Chielli [chielli@wilkes.edu]
Sent: Tuesday, June 07, 2005 9:02 AM
To: Scott Byers (E-mail); Joseph Gilmour (E-mail); Mike Frantz (E-mail)
Cc: Christine Seitzinger (E-mail); Paul Adams (E-mail)
Subject: press conference for building purchase

Gentlemen -- Here is some initial thinking please give us your feedback.

We need a name and the sooner the better. We don't want the mayor's people referring to the building as the call center in our announcement.

Optimum time for press conference 11 a.m. Tuesday, Wednesday less desirable Thursday.

Location: Inside building where Scott, JJ and I discussed on our tour. I think that is the South Main street side.

People to speak.

Mayor Tom Leighton, Tim Gilmour, (possibly Gov. Rendell if state funds are involved but someone will have to call and invite, chairmen of county commissioners if they are helping finance this in some way, possible chamber of commerce executive director.)

People to invite: County officials, presidents of College Misericordia and Kings (other officials) Wilkes Trustees, Judge Rosen, local businesses, JUSC folks, internal faculty and staff, city council members

Possible MC Paul Adams or JJ to do the introductions.

Speaking topics -- Mayor to discuss how this will help the city.

Tim to discuss partnerships and how this will help the university, and how it fits into Master Plan and our economic impact in the region.

We will have a Wilkes podium with our logo.

Tim -- We will be working on post-event appearances either that day or as soon as we can book them. This would include WILK (Sue Henry's program, 28 Newsmakers (WBRE, editorial boards, possible 7 p.m. WNEP news appearance, WVIA public radio and television.

Jack J. Chielli, Executive Director
Marketing Communications
Wilkes University
570.408.4770
chielli@wilkes.edu



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THE CHRONICLE OF HIGHER EDUCATION

Money & Management

From the issue dated July 29, 2005

GIVE & TAKE

Wilkes U. Absorbs Abandoned Building

By AUDREY WILLIAMS
JUNE

An empty call-center building that was a financial burden on the city of Wilkes-Barre, Pa., will soon be transformed into an addition to Wilkes University's campus.

The private institution agreed last month to buy the call center -- and an adjacent 600-space parking garage -- for \$7.9-million. The 80,000-square-foot building was empty for almost three years after its last tenant went out of business, but the city was still on the hook for \$7-million in debt-service payments.

"Our buying the building really addresses their debt problem, and it also puts a stable partner in a critical part of our business district," says Tim Gilmour, president of Wilkes.

One of the university's goals is to revitalize the business district. Foot traffic to local businesses is expected to increase once the university moves in.

Wilkes plans to spend \$1.9-million to renovate what is now called University Center on Main. One highlight of the center is its main floor, which will be an indoor practice facility for athletic and recreational sports teams.

The building will also have classrooms for graduate programs and house student-service departments, including the registrar's and financial-aid offices that are now scattered across the campus. A coffee shop is a possibility, too.

Meanwhile, the institution's public-safety officers will relocate to the first floor of the parking garage. Renovations should be complete in about a year.

The building purchase marks the beginning of 20-year master plan for the institution that focuses on taking



advantage of the campus's proximity to a riverfront and the city's Main Street. The university plans to invest about \$140-million in renovations and new construction through 2025.

From the issue dated July 29, 2005

<http://chronicle.com>

Section: Money & Management

Volume 51, Issue 47, Page A27

By ALAN R. S. ...

An empty, 11-story building that was a financial burden on the city of Wilkes-Barre, Pa., will soon be transformed into an addition to Wilkes University's campus.

The private institution agreed last month to buy the mill center — and an adjacent 600-space parking garage — for \$7.5 million. The 80,000-square-foot building was empty for almost three years after its last tenant went out of business, but the city had sold it for \$7.5 million in debt-service payments.

"This buying the building really addresses their debt problem, and it also puts a solid partner in a critical part of our business district," says Tim Gurnea, president of Wilkes.

One of the university's goals is to revitalize the business district. Foot traffic to local businesses is expected to increase once the new center moves in.

Wilkes plans to spend \$1.5 million to renovate what is now called University Center on Main. One highlight of the center is its main floor, which will be an indoor practice facility for athletic and recreational sports teams.

The building will also have classrooms for graduate programs and house student-service departments, including the registrar's and financial-aid offices that are now scattered across the campus. A coffee shop is a possibility, too.

Meanwhile, the institution's public-safety officers will relocate to the first floor of the parking garage. Renovations should be complete in about a year.

The building purchase marks the beginning of 20-year master plan for the institution that focuses on taking

Council paves way for call center sale

A resolution passed Tuesday will allow Wilkes-Barre to sell the site to Wilkes University.

By LANE FILLER
lfiller@leader.net

TL
6-22-05
WILKES-BARRE — Tuesday evening, the City Council laid a piece of the foundation for the final sale of the call center to Wilkes University.

The council rescinded an ordinance passed when the facility was first built giving the city the right to purchase the call center from the Redevelopment Authority for \$1 if ever it came on the market. The council also passed a resolution authorizing the sale.

Today, Wilkes and representatives of

the authority will appear before the Zoning Hearing Board seeking a variance allowing collegiate uses such as classrooms and athletic practice facilities in the South Main Street building.

Much as if the variance had already been granted, Wilkes has called a press conference for 11 a.m. Thursday to announce the acquisition.

"I've not heard that there's going to be any protest on this, so we're hoping for smooth sailing," authority Chairman Bill Brace said, echoing city zoning and planning officials who have said there appears to be no fight planned against the variance.

The sale will relieve the city of approximately \$9 million in debt obligation, opening the door to an improved credit rating and the refinancing of a \$35 million pension bond.

Walter Griffith, a frequent critic of Mayor Tom Leighton's administration, questioned Leighton about the fact that the call center will be removed from the tax rolls when the school buys it, and Leighton responded that Wilkes has been generous with its fee in lieu of taxes and no other serious buyer had appeared.

In other business, the council approved several emergency contracts for cleaning debris from creeks, OK'd the replacement of the Police Department's heating and air-conditioning system, and transferred \$250,000 to be used for developing the Intermodal Transportation Center.

Lane Filler, a Times Leader staff writer, may be reached at 829-7250.

Smooth sailing expected for W-B call center sale

Wilkes needs variance to purchase property, and city needs to get it off the books.

By LANE FILLER
lfiller@leader.net

TL
6-16-05

WILKES-BARRE — Right now, the people in the city's planning and zoning office aren't hearing a lot of controversy about the call center.

That might mean there will be no opposition to the sale of

that facility to Wilkes University for classroom, athletic and student services space.

"I haven't had a phone call about it," said Zoning Director Leon Schuster. "And normally, if there is going to be a big issue, I would have heard something."

The South Main Street property is in a commercially zoned area and college uses are not allowed except through a variance from the zoning hearing board.

The board is scheduled to deal with the issue at a special

meeting June 22.

Why can't colleges operate within a commercial zone? Board solicitor Charles McCormick said history is a big reason.

"College uses for King's and Wilkes were originally limited to their respective areas mostly to prevent colleges from sprawling into residential areas," McCormick said. "But so much has changed in the last 30 years. Where there once were small stores and small commercial en-

deavors, there are uses that are much more compatible with the colleges in areas such as the one the call center occupies."

Wilkes requires the variance to buy the call center, and the city needs to sell the call center to get it off the books. AMBAC, a New York-based insurer of bonds, would then help the city refinance a \$35 million pension bond. That way, the city could avoid bond payments that will soon approach \$5 million per year.

Without a variance that would clear the way for a sale, the city could be too strapped to spend on economic development.

An ordinance making it much easier for colleges to get these approvals has been tabled by city council, but on the face of it, there seems little opposition to Wilkes getting the call center.

"This is just how the zoning ordinance was written originally," Schuster said, adding that in his 24 years with the city, the law hadn't been amended.

"I think it was originally structured to keep the colleges in their traditional areas, and that would have been based on the city's comprehensive plan at that time. But some things have changed, which is why the changes in the ordinance that would make this kind of thing easier for colleges have been recommended by both the planning and zoning boards."

Lane Filler, a Times Leader staff writer, may be reached at 829-7250.

Rendell discusses W-B's call center at Wilkes

By KRIS WERNOWSKY
kwernowsky@leader.net

TL
4-7-05

WILKES-BARRE – Gov. Ed Rendell made the threat: “If no one asks any questions, I’ll have to give my slate speech.”

The governor made the trip to Wilkes University Wednesday by invitation of the College Democrats student group for a question-and-answer session with students who shared most of his ideological and political beliefs, and college faculty.

Questions ranged from the sale of the downtown call center to Wilkes University, the possibility of the sale of Pennsylvania Higher Education Assistance Agency to Sallie Mae and how the Democrats can rejuvenate their base before the 2008 presidential election.

A college newspaper reporter asked what the governor thought of the possible sale of the South Main Street call center to the university.

Rendell said he would rather see a

taxable business relocate to the building, but realistically it wouldn’t likely happen. Instead, he said a sale to the college would help alleviate some of the city’s financial burden.

The center was built by the city’s redevelopment authority in 1999 and costs more than \$700,000 each year in debt payments. The university said, if purchased, it would use the building as office or recreational space.

A professor asked Rendell whether he supports the possibility of Sallie Mae’s proposed \$1 billion takeover of Pennsylvania’s student-loan business.

Rendell said when a company lays the prospect of \$1 billion on the table it’s always wise to at least explore the option. He said he wouldn’t support the takeover if Sallie Mae increased interest rates on student loans, making the cost of higher education more expensive.

Another student hinted that he was disillusioned with the current state of

the Democratic Party. He wondered what kind of shot in the arm it would take to lead the Democrats to control the executive and legislative branches in the future.

“We have to stop being afraid,” Rendell said. “There was no better example than the Terri Schiavo case.”

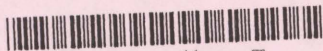
The governor argued the right-to-life battle over the Florida woman in a vegetative state was an issue best handled at the state level. He thought many Democrats looked soft on the issue when they allowed the Congress to undermine the ruling of the state court.

“These guys (Republicans) say they’re for less government,” the governor said. “We’ve got to get back to our roots, and if they want to call us liberals, then we ought to accept the label of liberal.”

Kris Wernowsky, a Times Leader staff writer, may be reached at 831-7329

SUNDAY TIMES

SCRANTON, PA
SUNDAY 74,275
MAR 27 2005



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Call center interest

Another party other than Wilkes University is interested in the vacant South Main Street call center in Wilkes-Barre.

Mayor Tom Leighton said there is a proposal on the table from a corporation for the 80,000-square-foot building. Wilkes University also is interested but has not made an offer. The city has been saddled with the call center and been making payments on the construction loans since 2002.

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Call center has another potential buyer

By Tim Gulla
STAFF WRITER

225FP

Wilkes University is not the only entity interested in the vacant South Main Street call center in Wilkes-Barre.

Though tight-lipped about details, Mayor Tom Leighton said there is a proposal on the table from another party interested in the 80,000-square-foot building.

Wilkes University's student newspaper, the Beacon, unveiled on Monday details of a proposed 20-year master plan for the university that includes the possible purchase of the call center. University spokeswoman Christine Seitzinger confirmed the plan but said nothing is finalized and no offers have been made.

Though aware of the university's interest, Mr. Leighton said, "We have a proposal on the table with a corporation."

And there may be others.

"We just showed it (the building) last week to two different parties," he said.

He would not identify the entities.

The city has been saddled with the call center and been making payments on the construction loans since 2002.

A tenant, Customer Service First, closed Dec. 20, 2002, months after it stopped paying rent. Though the building is owned by the city Redevelopment Authority, the city has been forced to pick up the tab.

Mr. Leighton estimated the vacant building has cost the city \$1 million a year since then in bond payments, insurance, utilities and maintenance. About \$7.2 million still is owed on the construction loan.

City and economic development officials have conceded there are obstacles to their efforts. The building, for instance, is specifically tailored for call center operations.

"Not only do we have to market the call center, we have to market the city — a city that's being rebuilt," Mr. Leighton said Wednesday.

Still, he's gaining confidence that something good will come from the meetings that have taken place with in-

terested parties. "We've had senior management in here from several companies," he said. "So we have gotten up the ladder."

The proposed purchase of the call center is just one part of Wilkes' long-term plan that has not yet been put before its board of trustees. That won't happen until April 15, Mr. Seitzinger said.

Much of the master plan is centered on expanding the university's campus east toward Main Street to help the city in revitalization efforts.

"We think we could be a stabilizing force for the downtown," she said. Possible university uses of the call center include office space and recreation facilities for students.

SCRANTON TIMES

SCRANTON, PA
THURSDAY 28,991
MAR 24 2005



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Vacant Call Site Draws Interest

BY TIM GULLA
STAFF WRITER

Wilkes University is not the only entity interested in the vacant South Main Street call center in Wilkes-Barre.

Though tight-lipped about details, Mayor Tom Leighton said there is a proposal on the table from another party interested in the 80,000-square-foot building.

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Though aware of Wilkes' interest, Mr. Leighton said, "We have a proposal on the table with a corporation."

And there may be others.

"We just showed it (the

building) last week to two different parties," said Mr. Leighton, who declined to identify the entities.

The city has been saddled with the call center and made payments on the construction loans since 2002.

A tenant, Customer Service First, closed Dec. 20, 2002, months after it stopped paying rent. Though the building is owned by the city's Redevelopment Authority, the city has been picking up the tab.

Mr. Leighton estimated the building has cost the city \$1 million a year since then in bond payments, insurance, utilities and maintenance. About \$7.2 million is owed on the construction loan.

City and economic development officials have conceded there are obstacles to their efforts. The building, for instance, is specifically tailored for call center operations.

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market the call center, we have to market the city — a city that's being rebuilt," Mr. Leighton said Wednesday.

Still, he's gaining confidence that something good will come from meetings with interested parties.

"We've had senior management in here from several companies," he said. "So we have gotten up the ladder."

The proposed call center purchase is one part of Wilkes' long-term plan that has not yet been put before its board of trustees. That won't happen until April 15.

Much of the master plan is centered on expanding the university's campus east toward Main Street to help the city in revitalization efforts.

Possible university uses of the call center include office space and recreation facilities for students.

Contact the writer:
tgulla@citizensvoice.com

TIMES • LEADER

DOWNTOWN DEVELOPMENT

Wilkes eyes vacant W-B call center

TL 3-23-05

The university would use the building for offices and recreation if purchased.

By DAVE JANOSKI
djanoski@leader.net

WILKES-BARRE — Wilkes University could acquire the vacant, city-owned call center under a proposed development plan that will be presented to the university board of trustees next month.

The center, on South Main Street and built by the city's redevelopment authority in 1999, is costing the city more than

\$700,000 each year in debt payments.

The last tenant, Customer Satisfaction First, closed its doors in December 2002, ending lease payments to the authority.

Wilkes might use the 80,000-square-foot building for office space and a recreation facility, university administrator Scott Byers said Tuesday.

The possible call center purchase is part of a development concept that would reorient the 27-acre downtown campus toward South Main Street and the

See CENTER, Page 10A

CENTER

Continued from Page 1A

Susquehanna riverfront, two areas targeted for extensive redevelopment by the city.

"We've believed all along that we and the city have to be partners," Byers said. "We have to grow with each other. We can be a stabilizing force in this section of the city."

University officials have toured the call center but have made no formal proposal to the city, Mayor Tom Leighton said Tuesday.

Leighton said selling the center, constructed with a \$12 million package of city, state and federal incentives that was supposed to create 1,000 to 2,000 jobs, is a top priority of his administration.

He said the city is negotiating with a call center company that's interested in buying the building.

Representatives of two other corporations have visited the site in the past month, Leighton said.

"Whoever comes in in a timely manner with the best offer is the one we will entertain."

Although a purchase by Wilkes would take the building off the tax rolls because of the university's nonprofit status, Leighton said tax revenues might not be as important as finding a committed, long-term occupant for the building.

"We're looking to see the proper occupant who would be a good friend of the city."

The university, which has an enrollment of about 2,200, pays the city more than \$47,000 per year in lieu of taxes.

Byers, the university's vice president for finance and support operations, said the call center proposal is part of a master plan developed by administrators, planners and architects to map the university's growth over the next 15 to 20 years. It will be presented to the board of trustees on April 15.

"Our hope is that by the end of April, we'll have definitive plan. It will be very much a living plan, a living document meant to guide us, but that can change."

The proposed master plan calls for the construction of new health and sciences building on South Franklin Street between South and Ross Street and the transformation of the Stark Learning Center on South River Street, which now houses science classrooms and laboratories, into dormitory space.

The plan also envisions the university buying some downtown parcels and selling others, Byers said. But he would offer no specifics.

Byers said administrators are working to estimate the cost of the plan, which would represent a "substantial investment" in the city's downtown.

Turning the focus of the campus toward South Main Street and the riverfront would mesh with the city's plans to revitalize those areas.

A \$21 million public/private initiative to construct a 14-screen theater and new residential and retail space on the east side of the first block of South Main Street is expected to be complete by the end of 2005.

The call center is on the west side of South Main Street's second block, as is the university's facilities office, purchased about 18 months ago.

A \$26 million project to construct two portals through the river levee, a river landing, a fishing platform, an amphitheater and a stage along the river is set to begin in 2006.

Dave Janoski, Times Leader associate editor/investigative, may be reached at 829-7255.

LOCAL NEWS

Wilkes University shows interest in W-B's call center

By Tim Gulla
Staff Writer

CV 3-24-05
Wilkes University is not the only entity interested in the vacant South Main Street call center in Wilkes-Barre.

Though tight-lipped about the details, Mayor Tom Leighton said there is a proposal on the table from someone else interested in the 80,000 square foot building.

Wilkes University's student newspaper, The Beacon, unveiled on Monday details of a proposed 20-year-master plan for the university that includes the possible purchase of the

call center. Wilkes spokeswoman Christine Seitzinger confirmed the plan but said nothing is finalized and no offers have been made.

Though aware of the university's interest, Leighton said, "We have a proposal on the table with a corporation."

And there may be others. "We just showed it (the building) last week to two different parties," he said.

He would not identify the entities, though.

The city has been saddled with the call center, and been making payments on the construction loans, since 2002.

A tenant, Customer Service First, closed Dec. 20, 2002, months after it stopped paying rent. Though the building is owned by the city Redevelopment Authority, the city has been forced to pick up the tab.

Mayor Leighton estimated the vacant building has cost the city \$1 million a year since then in bond payments, insurance, utilities and maintenance. About \$7.2 million still is owed on the construction loan.

City and economic development officials have said there are obstacles to their efforts. The building, for instance, is

specifically tailored for call center operations.

"Not only do we have to market the call center, we have to market the city — a city that's being rebuilt," Leighton said. Still, he's gaining confidence that something good will come from the meetings that have taken place with interested parties. "We've had senior management in here from several companies," he said. "So we have gotten up the ladder."

The proposed purchase of the call center is just one part of Wilkes' long term plan that has not yet been put before its board of trustees. That won't

happen until April 15, Seitzinger said.

Much of the master plan is centered on expanding the university's campus east toward Main Street to help the city in revitalization efforts. She couldn't say how much priority is being placed on the call center purchase.

"We think we could be a stabilizing force for the downtown," she said.

Possible university uses of the call center include office space and recreation facilities for students. "This (plan) is in its infancy stage," Seitzinger said.

A college-friendlier W-B?

Downtown zoning change proposal would make it easier for universities to expand.

By LANE FILLER
lfiller@leader.net

7L-13-05
5-13-05
WILKES-BARRE – City Council will hold a public hearing May 24 to discuss changes in zoning rules that will make it easier for colleges to grow downtown.

Already given a positive review by council in a resolution last month, the changes would mean that Wilkes University, King's College and Luzerne County Community College could make use of buildings zoned for office and commercial needs for other purposes, such as dormitories or student unions, with relative ease. LCCC has a corporate learning center on Public Square.

Rather than having to secure zoning variances for such uses, the colleges would only need special approval, which is much easier to acquire.

The proposed changes would affect much of the area between North Street and South Street and Washington Street and the Susquehanna River.

The vacant call center building on South Main Street that Wilkes is considering purchasing from the city is within the bounds.

Bill Harris, the city's director of planning, said that's not the specific reason for the changes.

"What we're trying to do is just

become more college-friendly in the way our zoning rules work," he said. "This idea makes it easier for the colleges to grow downtown, which they are trying to do."

Harris said the changes also had Planning Commission's unanimous approval and received no negative reaction from the Luzerne County Planning Commission.

The colleges also welcome the change.

"This will allow us to grow in commercial zones, and to be a better partner in revitalizing the downtown area," said Wilkes spokeswoman Christine Seitzinger. "Wilkes and the city are inextricably linked, as are their successes. If Wilkes can make better use of downtown, the students become better customers for merchants, and the accessibility helps us to recruit students, so it is all linked."

During the previous administration of Mayor Tom McGroarty, relations between the city and the colleges were often frosty, but Seitzinger had nothing but good things to say about what's happening now.

"In terms of cooperation, we've had a great relationship with Mayor Leighton and his whole administration, and we know that's going to be a key in the success of Wilkes and the city as we go forward."

The hearing will be held at 5:30 p.m. in council chambers.

Authority votes to start talks to sell call center to Wilkes

Sale to university will take place soon

By Heidi E. Ruckno
Staff Writer

CV-9-05

The monkey known as the Call Center is now one step closer to getting off the city's back.

The Wilkes-Barre Redevelopment Authority voted unanimously Thursday to negotiate the building's sale to Wilkes University.

According to Frank Hoegen, one of the redevelopment authority's attorneys, a proposal is already on the table.

Included in the sale will be the call center building and an adjoining surface lot, the pedestrian easement and bridge, and the Park and Lock South Garage, said redevelopment authority Chairman Bill Brace.

The final purchase price is still being negotiated, Hoegen said.

"It will be an amount sufficient to satisfy the obligation," said Hoegen, who will negotiate the sale. He expects the sale to close "as soon as possible."

The properties included in the sale were appraised, but city officials did not yet know

their fair market value, City Administrator J.J. Murphy said.

Murphy also asked the authority to transfer ownership of a small parcel of land, located near the North Cross Valley Expressway back to the city. The authority approved the transfer, after a fair market value is determined.

In other business, the authority also voted to transfer a portion of Dyer Lane, adjacent to the site of the former theater project on South Washington Street, back to the city. Under construction at that site is a Department of Labor and Industry office building.

The authority also voted to transfer a strip of land along Pennsylvania Boulevard, in front of the Planters Peanuts Building and the former Shapiro Scrap Yard, back to the city. Plans are in the works to redevelop that site as well.

The authority, acting as the Downtown Development Authority, agreed to negotiate the sale of a small parcel of land to Blue Cross, after a fair market value is determined. The parcel is adjacent to the company's North Main Street building.

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