

REDEVELOPMENT AUTHORITY OF THE CITY OF HARRISBURG

10 N. Second Street, Suite 405, Harrisburg, PA 17101

717.255.3000

www.Redevolphbg.org

REGULAR MEETING – February 15, 2022 – 12:30 P.M.

AGENDA

- I. Call to Order
- II. Minutes of the Regular Meeting of January 18, 2022.
- III. Treasurers Report – November 2021, for approval.
- IV. Communications
- V. Public Comment Regarding Matters of Concern of Authority Business or Agenda Items.
- VI. Old Business
- VII. New Business

RESOLUTION NO. 4-2022 – authorizing the Authority to extend the *Potential Developer* status to **August 31, 2022**, for Angel Fox’s project of a new laundromat with apartments above and parking located at 1243-1247 Market and 8 & 10 S. 13th Street

RESOLUTION NO. 5-2022 – authorizing the Authority to approve the execution of a Redevelopment Contract (Exhibit A to the Resolution) with **Midtown Redevelopment, LP** (Developer’s ownership entity) of sixty-seven (67) parcels in the MarketPlace development.

RESOLUTION NO. 6-2022 – authorizing the Authority to designate McCoy Boy Realty LLC as *Potential Developer* of eight (8) parcels in the Midtown area for the project of mixed-use, first-floor retail/commercial with approximately fifty (50) residential units above.

- VIII. Other Business
- IX. Adjournment

Means To Attend

*** In Person Meeting Location:** 10 N. Second Street, Suite 405, Harrisburg PA. 17101

*** Join via Microsoft TEAMS:**

https://teams.microsoft.com/l/meetup-join/19%3ameeting_OTYxNmI5YzYtZjY0YS00MDdjLWExNmYtM2Q3ZWl3MGnkYjhm%40thread.v2/0?context=%7b%22Tid%22%3a%22f639450b-581a-4e26-b7dd-8ba0e623af21%22%2c%22Oid%22%3a%22ae286958-78ba-41b3-ac74-caee65bf7c40%22%7d

RESOLUTION NO. 4-2022

Harrisburg Redevelopment Authority

WHEREAS, the Redevelopment Authority of the City of Harrisburg (“Authority”), in **Resolution 26-2021**, has recognized **Angel Fox** as *Potential Developer* of 1243 Market (PID 09-045-006), 1245 Market (PID 09-045-005), 1247 Market (PID 09-045-004), 8 S. 13th (PID 09-045-009), and 10 S. 13th (PID 09-045-010) Street (the “Property”) for a new Laundromat with apartments above and parking; and

WHEREAS, the Authority is willing to extend **Angel Fox’s** status as Potential Developer so that she may continue with its planning and negotiations for an additional (6) six months.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Authority of the City of Harrisburg hereby extends the Potential Developer status as stated in **Resolution 26-2021**, Item 1, to **August 31, 2022**. All other terms and conditions of **Resolution 26-2021** not in conflict herewith shall remain in full force and effect.

Date

Secretary

RESOLUTION NO. 5-2022
Harrisburg Redevelopment Authority

WHEREAS, in Resolution 28-2021, the Harrisburg Redevelopment Authority of the City of Harrisburg (“Authority”) authorized **Christopher/Erica Bryce and Harrisburg Commercial Interiors and Associates, Inc** (“DEVELOPER”) as the Designated Developer for the sixty-seven (67) parcels in the MarketPlace Townhome neighborhood as more fully described on their 2 August 2021 Proposal (all in the City of Harrisburg and collectively, the “Property”); and

WHEREAS, the DEVELOPER has formed **Midtown Redevelopment, LP**, with its principal office at 2901 N. Front Street, Harrisburg, PA 17110, to be the ownership entity for the Property; and

WHEREAS, the Authority has negotiated term and conditions for the sale of the Property; and

WHEREAS, the Developer is agreeable to those terms and conditions, as more fully set forth in the attached Redevelopment Contract (Exhibit A).

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Authority of the City of Harrisburg hereby approves and authorizes (A) the appropriate Officers to Execute the attached Redevelopment Contract (Exhibit A) with Midtown Redevelopment, LP and (B) in accordance with the Redevelopment Contract, as Land Development Plans are approved, the proper Officers of the Board of Directors of the Authority are hereby authorized to execute a standard Special Warranty Deed, Quit Claim Deed, and all necessary documents for the conveyance of the parcels in said Land Development Plan to Developer, contingent upon the following conditions being met:

- A. The Property shall be developed as Residential and Residential/Commercial mixed-use building(s), and related site improvements including off-street parking.
- B. Consideration for the Property shall be \$435,500, plus developer shall pay all Authority’s closing costs, including but not limited to the 2% transfer tax, in accordance with the terms set forth in the attached Redevelopment Contract.
- C. **DEVELOPER** shall be in compliance with all applicable local regulations, including but not limited to, the building, planning, zoning and affirmative action regulations of the City of Harrisburg.
- D. **DEVELOPER** shall have secured all financing necessary to construct and complete the improvements described within its 2 August 2021 Proposal.
- E. Settlement may occur at any time subject to all terms and conditions of the Redevelopment Contract.
- F. The Property shall remain subject to all real estate taxes in perpetuity, regardless of whether the use qualified for an exemption from the same under any applicable law.
- G. The Property shall be subject to re-capture by the Quit Claim Deed if Developer does not abide by the terms of the Redevelopment Contract.
- H. Such other conditions that the staff of the Authority and its solicitor deem reasonable and appropriate.

Date

Secretary

RESOLUTION NO. 6-2022

Harrisburg Redevelopment Authority

WHEREAS, the Redevelopment Authority of the City of Harrisburg ("Authority") has received a Proposal dated 7 February 2022 from **McCoy Boy Realty LLC** ("DEVELOPER") with offices at 761 Cattail Dr, Harrisburg, PA, 17111, for the purchase of 8 parcels: 1600 N. 7th (PID 07-024-003), 1602 N. 7th (PID 07-024-002), 1610 N. 7th (PID 07-024-001), 1611 Wallace (PID 07-024-011), 622 Harris (PID 07-024-021), 634 Harris (PID 07-024-015), 636 Harris (PID 07-024-014) and 1625 Wallace (PID 07-024-004) Street (all in the City of Harrisburg and collectively, the "Property"); and

WHEREAS, the Authority owns the Property; and

WHEREAS, the Authority is willing to permit DEVELOPER to continue with its planning and negotiations for a definite period, contingent upon completion of certain performance requirements as set forth below.

NOW, THEREFORE, BE IT RESOLVED, by the Redevelopment Authority of the City of Harrisburg as follows:

1. **McCoy Boy Realty LLC** is hereby designated as the *Potential Developer* of the Property for the period of six (6) months, during which time DEVELOPER is required to submit written progress reports by the 5th of each month to the Authority including, but not necessarily limited to, information on the status of financing and development (design) plans and approval for applicable local regulations i.e., the building, planning, zoning and affirmative action regulations of the City of Harrisburg.
2. DEVELOPER is required to present a final proposal acceptable to the Authority for the redevelopment of the Property including, but not limited to, development (design) plans, development schedule, evidence of financial capability, approvals for applicable local regulations, and such other matters that within the discretion of the Authority are deemed reasonable and necessary, so that the Authority may determine whether or not the Potential Developer has made satisfactory progress to undertake the proposed development.
3. The sale price for the Property shall be negotiated to the satisfaction of the Authority's Executive Director and Solicitor, which shall include the buyer pay all Authority's closing costs, including transfer taxes.
4. The Property shall remain subject to all real estate tax in perpetuity, regardless of whether the use qualifies for an exemption from the same under any applicable law.

Date

Secretary



2/9/2022

Attn: Mr. Bryan K. Davis, Executive Director
Harrisburg Redevelopment Authority
Suite 405, 10 N. 2nd Street, P.O. Box 2157
Harrisburg, PA 17105-2157

Dear Mr. Davis:

I am providing information on behalf of our client, Mr. LeSean McCoy, specific to his interest in acquiring property from the Redevelopment Authority on the 1600 Block of North 7TH Street. We have been asked to provide preliminary information to you specific to his interest in purchasing and subsequently developing the property, per your Development Process Guide.

1. Evidence of Past Experience

Vanguard Development Group is a third-generation development, design and construction real estate firm headquartered in Lancaster, Pennsylvania. We have extensive experience in multi-family development and would be happy to provide a portfolio highlighting our recent work.

2. Preliminary Site Plan

Please see the attached exhibit. It should be noted that the attached site plan is preliminary in nature.

Please note the following details as they relate to the preliminary site plan:

- 7th Street Apartments (Exhibit #1)
 - Parcel Map (Exhibit #2)
 - Client is looking to purchase the following Lots:
 - Lot 1600 – Commercial General Zoning
 - Lot 1602 – Commercial General Zoning
 - Lot 1610 – Commercial General Zoning
 - Lot 1625 – Commercial General Zoning
 - Lot 1611 – Commercial General Zoning
 - Lot 622 – Commercial General Zoning
 - Lot 636 – Commercial General Zoning
 - Lot 634 – Commercial General Zoning

- Setbacks
 - 5' Front Setback or Prevailing Street Setback
 - 5' Rear Setback
 - 5'-0' Side Setback
- Landscaping
 - We have discussed a small park to be added on Lots 636 and 634, Final Design to be Determined.
 - Final Landscaping Plan To Be Determined Based on Final Building Design
- Signage
 - Final Signage Plan to Be Determined Based on Final Building Design
- Drainage
 - Drainage of Site would Connect to Existing City Stormwater System, Final Drainage to Be Determined Based on Final Building Design.
- Trash
 - Initial Plan has Trash Rolled to Street from specific storage area of the building
- Traffic Flow Patterns
 - Initial Building Design Shows first floor parking entry on 7th Street and moving one way through the building and exiting on Harris Street. There are also plans to include surface Parking as required on Lots 1625 and 622
- Client is interested in considering some of the options that the city has in place to reduce the parking requirement provided by this site.
- Current Building Design is eliminating Acorn Alley as it comes through to 7th Street if this is not possible Client would like to consider building over top of the Acorn Alley.

3. Preliminary Elevations and Floor Plans

- Preliminary Design is a Podium-Style Building with a Parking Area with 38 Spaces and 2 Commercial Spaces (970 SF and 1500 SF) on the First floor and 4 Stories of Residential and Community Amenity Space above, Rooftop Amenities are also being considered.
- Initial Building Design has 50 Market Rate Residential Units. Please Note: The Count and Percentage of types of units may change after feasibility, which will include a Full Market Study for this project.
 - 20 – 1 Bed/1 Bath Units (+/- 780 SF) (40%)
 - 4 – 1Bed/1 Bath/ Den Units (+/- 985 SF) (8 %)
 - 23 – 2 Bed/2 Bath Units (+/- 1210 SF) (46%)
 - 3 – 2 Bed/2 Bath/ Den Units (+/- 1425 SF) (6%)
- Please note that the attached exhibits were not specifically designed for this site, but are visual representations from other comparable projects, only. (Exhibit #3)

4. Preliminary Estimate of Development & Construction Costs

A very preliminary estimate for this project is \$8,000,000. When we are further along with the feasibility of the project, we will conduct a Magnitude of Cost Analysis and provide probable budgetary value allocations for each component of the project.

5. Preliminary Financing Plan

Conventional construction financing is likely. Mr. McCoy will provide the City with an LOI from one of his preferred lenders.

6. Preliminary Schedule

A preliminary schedule is difficult to forecast. Following land use approvals with the City of Harrisburg and permitting review of the construction documents, a total construction timeline is likely 10-12 months.

Thank you for your consideration to this matter, and please do not hesitate to contact me with any questions.

Regards,

Derek Stoner
Designer

Enclosures (3)

N. 7th Street

5'-0"
Front Setback

1500 SF - Retail

Entry/
Lobby

Elev.

Stair
A

Trash

Mech/
Water

5'-0"
Side Setback

38 Spaces






VANGUARD
DEVELOPMENT GROUP