

REDEVELOPMENT AUTHORITY OF THE CITY OF HARRISBURG

Regularly Scheduled Meeting July 20, 2021 - 12:42 P.M.

The Board of the Redevelopment Authority of the City of Harrisburg held a Regularly Scheduled Meeting on July 20, 2021, in Suite 405, of the Rev. Dr. Martin Luther King, Jr. Government Center, 10 North Second Street, Harrisburg, Pennsylvania, at 12:42 p.m. by Stacia Zewe Board Chair.

HRA BOARD MEMBERS PRESENT via Zoom,

Web-based Video Conferencing

Nichole Johnson
Crystal Brown
Daniel Leppo
Stacia Zewe

ABSENT:

N/A

THE PUBLIC PRESENT was: Rodney Schwartz, Director of Urban Lighthouse Ministries.

Also present were: Janell Weaser, Harrisburg Redevelopment Authority (HRA) Administrative Project Manager; Bryan Davis, HRA Executive Director; and Catherine Rowe, HRA Solicitor.

MINUTES

The minutes of the Regular Meeting of June 15, 2021 was presented for approval. Mr. Leppo moved to approve; seconded by Ms. Brown. The motion passed unanimously.

TREASURER'S REPORT

The Treasurer's Reports for May 2021 was presented for approval, subject to audit. Mr. Leppo moved to approve; second by Ms. Brown. The motion passed unanimously.

COMMUNICATIONS

Mr. Davis presented his monthly report and directed everyone's attention to updates.

PUBLIC COMMENT

None

OLD BUSINESS

None

NEW BUSINESS

RESOLUTION NO. 17-2021, authorizing the Authority to change the status of Christopher/Erica Bryce and Harrisburg Commercial Interiors and Associates, Inc. from current *Potential Developer* to their single-purpose entity Midtown Redevelopment LP the status of *Designated Developer* of one-hundred and six (106), plus additional parcels in the Capitol Heights neighborhood for the project of new single-family homes. Mr. Leppo moved to approve; second by Ms. Brown. The motion passed unanimously.

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Mr. Davis explained that this resolution is written referencing the Redevelopment Authority's Phases at Capitol Heights. However, the Bryce's Development Team see this project as their Phase I. For example, the second paragraph of the Resolution says they submitted a proposal for four (4) parcels in earlier Phases and for another twenty-one (21) parcels in the Redevelopment Authority's Phase V. Mr. Davis informed that those are our names for the real estate involved that they have in their Land Development Plan approval. They are ready to go to construction and are hoping to start this September. The timing is right for us to acknowledge them as the Designated Developer. The second detail is that they have formed a limited partnership for the purpose of this real estate development called Midtown Redevelopment LP. This is who will be taking title to the real estate. The negotiated sale price is \$3,000 per buildable lot from the earlier Phases. There are three buildable lots in the earlier phases and a fourth that is very small at the rear of one of those lots. The total sale price is \$9,000. And then at \$750 per lot on the new validated Land Development Plan. That total is \$24,700 plus they pay all the Authority's closing costs including transfer taxes.

Ms. Zewe wanted to make sure these are not the Seven Bridges parcels and not the Doug Neidich, Green Works Development parcels.

Mr. Davis confirmed.

RESOLUTION NO. 18-2021, authorizing the Authority to approve a four (4) year Lease with The Worship Academy School of the Arts for two (2) additional Suites, 203 and 205 located at the Harrisburg Transportation Center. Mr. Leppo moved to approve; second by Ms. Brown. The motion passed unanimously.

Mr. Davis mentioned that the Dance School received additional funding and requested to lease additional suites.

RESOLUTION NO. 19-2021, authorizing the Authority to approve an Eighth Amendment of Lease Agreement to the Amtrak Leaseback Lease and approve their expansion of Leased Premises of adding Suite 301A located at the Harrisburg Transportation Center. Ms. Johnson moved to approve; second by Ms. Brown. The motion passed unanimously.

Mr. Leppo inquired if the Authority has a new Realtor or if we are still contracted with Bill Gladstone.

Mr. Davis said it is Mr. Gladstone who is working on all these new leasing and while we are on this subject, Ms. Weaser looked at our records and reminded me that just two years ago we went through the process of soliciting proposals for Commercial Agents. This is how we selected to continue our contract with Mr. Gladstone. On August 10th is his renewal time. Usually, we solicit proposals every three years. After this meeting give it some thought. If you feel compelled to do it this year, we will do it again.

Ms. Zewe asked, after these people move in what is the vacancy rate at the train station.

Mr. Davis believed the rate to be forty or forty-five percent. He said once we are at fifty percent then we get closer to breaking even.

RESOLUTION NO. 20-2021, authorizing the Authority to change the status of TLC Work-Based Training Program, Inc. from current *Potential Developer* to their single-purpose entity TLC Cornerstone LP the status of *Designated Developer* of 430 Kelker Street for the project of residential apartments. Mr. Leppo moved to approve; second by Ms. Johnson. The motion passed unanimously.

Mr. Davis informed that there are two resolutions today for TLC Work-Based Training Program, Inc. This one is for 430 Kelker Street. Tarik Casteel is the Developer. They formed TLC Cornerstone Limited Partnership for the purpose of this development. They are also ready to begin construction. This action is to designate TLC Cornerstone LP as the Designated Developer and the Sale of the property for \$750 plus, they pay all the Authority's closing costs, etc. This property is very small but essential to their housing project.

Mr. Leppo wondered if this property will have apartments built on it or be used as supporting axillary.

Mr. Davis reported that it will sit under the footprint of a small apartment building consisting of four apartments.

RESOLUTION NO. 21-2021, authorizing the Authority to approve the sale of 1365 Howard Street to N.F. String & Sons, Inc. for an accessory parking lot to their business located at 1380 Howard Street. Ms. Brown moved to approve; second by Ms. Johnson. The motion passed unanimously.

Mr. Davis explained that N.F. String & Sons, Inc. is located up on the hill at the end of Mayflower Alley, Howard and 14th Streets. On the left corner is their large building. Their main business is manufacturing coin packing machines, sleeves, and anything to do with coins. Mr. Davis shared that he took a tour of the building. He had to sign a confidentiality agreement before he could take the tour. Mr. Davis was amazed by all the gadgetry everywhere with the flow of things dropping into bags and being sealed. He referenced a likeness to the Willy Wonka Factor.

Mr. Davis reported that they had been using the Authority's lot for accessory parking to their business. With the help of George Payne, Mr. String submitted a request to purchase proposal and worked with Geoffrey Knight in planning for the approval of a parking lot and fencing. Mr. String also wishes to plant trees and grass inside the fenced area to help clean up the area and improve the overall appearance of his company. This resolution is to authorize the sale of the real estate to N.F. String & Sons as the developer of the property. The price is \$15,000 plus, all the Authority's closing costs including the transfer taxes. Mr. Davis added there will also be a Redevelopment Contract because there are some improvements that need to be done to the land.

Ms. Rowe wondered about the Confidentiality Agreement that Mr. Davis signed. She asked if it only pertained to the internal processing at the factory.

Mr. Davis clarified saying before Mr. String will take you on a tour of the factory everyone must sign a piece of paper that states you cannot disclose anything that you see or hear within the factory. He designed and created all those machines.

Mr. Schwartz, concurred commenting that he use to work for Mr. String.

Mr. Leppo commented that Frank String is a genius. Mr. Leppo shared that years ago when he worked for the City, he was in that building. Back then we could not agree on something, and Mr. String threatened to move out of the City. Mr. Leppo said he is glad to hear that Mr. String is still where he is, and that the Authority can work with him.

RESOLUTION NO. 22-2021, authorizing the Authority to approve the sale of 1341 Vernon Street to Urban Lighthouse Ministries for an accessory recreation area with pavilion adjacent to their private Christian School. Mr. Leppo motioned to approve; second by Ms. Brown. The motion passed unanimously.

Mr. Davis said not far from N.F. String & Sons, Inc. is Urban Lighthouse Ministries. They have also submitted a proposal for a parcel from the Redevelopment Authority. Mr. Davis reported that they have been inquiring for quite some time of this lot on Vernon Street. We had thought Tri-County Housing Development Corporation was going to build on this lot, but they stayed on Swatara Street and did not venture with new construction over here. Mr. Davis believes enough time has passed and that Urban Lighthouse Ministries who owns adjacent property is a good candidate. Mr. Davis added that they recently purchased a large building along Thompson Street that is also adjacent to this same lot. At this time, they are requesting the lot to be used as a fenced in play area with a pavilion for their students, but there may come a time where they could also use it for expansion.

Mr. Davis introduced Mr. Schwartz to the Board Members.

Mr. Schwartz greeted the Board Members and stated that Mr. Davis was very clear on our desires and about some of our goals. My family moved there in 2010. We started this school in 2016. Their wishes are to improve and bless the neighborhood as well as live among the people there. They started the school at 1347 Vernon Street and two years ago purchased 1346 Thompson Street. He explained that we have the buildings and a small fenced in playground, but we use the Vernon Street lot down by 17th Street quite a good bit just to let the kids out and run around. Mr. Schwartz said he would like to put up a fence on this lot to provide a safer place for the kids. He added that this play areas would not be exclusive to the students; the neighborhood would also have access to it. He said I live there, and two other staff families live close. The neighbors use our basketball courts. Mr. Schwartz wishes to continue improving the neighborhood.

Ms. Zewe inquired as to what the age group of the students are at his school.

Mr. Schwartz replied, K thru 12. We had our first two graduates last year. We had forty-six (46) students last year and this year will be fifty-one (51). Most are Hispanic and all from the neighborhood. There is his two children and the principle's daughter. Everybody is basically within walking distance of the school.

RESOLUTION NO. 23-2021, authorizing the Authority to (a) change the status of Camp Curtin YMCA from current *Potential Developer* to *Designated Developer* of eight (8) Lots on Woodbine Street for the project of new single-family houses and (b) approving the Deed(s) to their single-purpose ownership entity that is yet-to be formed "Limited Partnership". Mr. Leppo motioned to approve; second by Ms.

Brown. The motion passed unanimously.

Mr. Davis said this resolution is for the Camp Curtin YMCA project of newly constructed low-income single-family homes. They submitted their proposal back in the summer of 2019 and are now ready to go to construction.

Mr. Davis mentioned that they started moving earth a couple months ago. He contacted them to stop as they do not hold title to the land. This resolution is to approve them the status of Designated Developer and authorize the transfer of title to that real estate located on the 600 block of Woodbine.

Ms. Rowe inquired of who their Development Construction Group was that started moving the dirt.

Mr. Davis believed it was a volunteer that was cutting down trees. He does not know exactly the name of who it was. Mr. Davis said he can find out.

RESOLUTION NO. 24-2021, authorizing the Authority to extend the Potential Developer status to December 31, 2021 for RB Development LLC's project of new affordable housing located at 1175 Baily Street. Ms. Brown motioned to approve; second by Mr. Leppo. The motion passed unanimously, with Ms. Zewe abstaining.

Mr. Davis pointed out that just last month they approved RB Development as Designated Developer for another project in Midtown. This Resolution is another Low-Income Housing Tax Credit Project for 1175 Bailey Street where they are currently the Potential Developer. Their preliminary plans and drawings show thirty (30) units. When he last talked with Ryan Sanders they are still moving forward with their financing and their planning. He asked for an extension of six months. That takes us to the end of this year, December 31, 2021.

Ms. Zewe announced that they are a client of hers' and that she needs to abstain from voting on this resolution.

RESOLUTION NO. 25-2021, authorizing the Authority to change the designated status of TLC Work-Based Training Program, Inc. from current Designated Developer to their single-purpose entity TLC Cornerstone LP for the project of new affordable housing on twenty-five (25) parcels in the Central Allison Hill neighborhood. Ms. Brown motioned to approve; second by Ms. Johnson. The motion passed unanimously.

Mr. Davis said this is the second resolution for action today concerning Tarik Casteel and his Development Team. This one pertains to twenty-five (25) parcels located in the Central Allison Hill area. They received approval for Low-Income Housing Tax Credits and are working on the closing of their financing. Mr. Davis mentioned that they have Designated Developer status and have just formed a limited partnership called TLC Cornerstone LP. This resolution authorizes the transfer of Designated Developer status to TLC Cornerstone LP instead of the current board approved TLC Work-Based Training Program, Inc.

OTHER BUSINESS

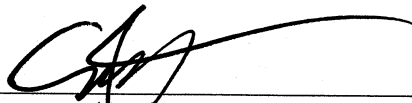
Mr. Leppo asked for an update on Trisha Magilton joining the Redevelopment Board. He wanted to know if she has something before the City Council or not.

Mr. Davis responded saying that he is still wrestling with it. He has communication, but it is not yet on their Agenda. Mr. Davis thought he was going to have better luck last week, but we experienced a huge computer problem with our email server being down all week. We did not have any email until noon last Friday. This costed him a few setbacks on a couple different things as the contents were within email. Mr. Davis is hoping to have better news for the Board Members at the next Board Meeting.

ADJOURNMENT

The meeting adjourned at 1:16 pm.

Respectfully submitted,



Secretary/Assistant Secretary