

RESOLUTION NO. 17-2023
Harrisburg Redevelopment Authority

WHEREAS, the Redevelopment Authority of the City of Harrisburg has received a Proposal, dated 24 March 2023, from **On Hill Development LLC** with its office located at 220 Pine Street, Harrisburg, PA, 17101 for the purchase of 1623 Regina (PID 09-028-020), 1625 Regina (PID 09-028-021), 1627 Regina (PID 09-028-022), 1629 Regina (PID 09-028-023), 1631 Regina (PID 09-028-024), and 1633 Regina (PID 09-028-025) Street in Harrisburg (collectively the "Property"); and

WHEREAS, the Redevelopment Authority of the City of Harrisburg ("Authority") owns the Property, and

WHEREAS, the Authority is willing to permit **On Hill Development LLC** 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. **On Hill Development LLC** is hereby designated as the *Potential Developer* of the Property for the period of six (6) months, during which time **On Hill Development LLC** 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. **On Hill Development LLC** 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. Consideration for the Property shall be \$24,000, plus developer shall pay all Authority's closing costs, including but not limited to the 2% transfer tax.
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.

5/23/23
Date


Secretary

Law Office of
SHAUN E. O'TOOLE
220 Pine Street
Harrisburg, Pennsylvania 17101
(717) 695-0389
Fax (717) 213-0272
otoolelawoffice.com

March 24, 2023

Bryan Davis
Executive Director
Harrisburg Redevelopment Authority
10 North Second Street
Harrisburg, Pennsylvania 17101

Hand Delivery

**Re: On Hill Development LLC
Preliminary Proposal for Potential Developer Status
1625 – 1633 Regina Street**

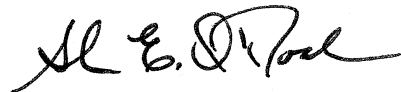
Dear Mr. Davis:

Enclosed is a Preliminary Proposal for Potential Developer Status submitted on behalf of On Hill Development LLC. As you will see, we are seeking potential developer status for the parcels located at 1625 to 1633 Regina Street, Harrisburg, Pennsylvania. Also enclosed is check in the amount of \$1,000 for the application fee.

Although I contacted Geoffrey Knight of the Harrisburg Planning Bureau about ten days ago and requested the Plan Consistency Letter, he has not delivered it yet. I corresponded with him just yesterday and, based on that discussion, I believe a favorable letter is on its way. I will arrange to get the letter to you as soon as I am in possession of it.

If you have any questions or require additional information or documentation, please give me a call.

Very truly yours,



Shaun E. O'Toole

Enclosure

**PRELIMINARY PROPOSAL
OF ON HILL DEVELOPMENT LLC
FOR POTENTIAL APPLICANT STATUS**

The Applicant is On Hill Development LLC, a Pennsylvania limited liability company. The Applicant is seeking Potential Developer status for the following parcels in the City of Harrisburg:

<u>Parcel Number</u>	<u>Addresses</u>
09-028-020	1623 Regina Street
09-028-021	1625 Regina Street
09-028-022	1627 Regina Street
09-028-023	1629 Regina Street
09-028-024	1631 Regina Street
09-028-025	1633 Regina Street.

1. Description of Proposed Use.

Applicant proposes to build five attached residential dwellings on the parcels located at 1623-1633 Regina Street. In 2021, the Harrisburg Redevelopment Authority awarded potential developer status for parcels located at 1605 through 1613 Market Street, a mere two blocks from the Regina Street parcels. Within the last month, Applicant joined with the Chris “Handles” Franklin Foundation with plans to construct a nine-unit apartment building on the Market Street parcels. A rendering of this project is attached as Exhibit “A.”

The Foundation’s plan is to use the apartment building as the first step of a process that will ultimately result in the low-income tenants of the building becoming first-time homeowners. The Foundation will contract with a third party non-profit that will work with each tenant to improve the tenant’s financial literacy to enable the tenant to save for a downpayment, recover their credit rating, arrange for financing, and generally prepare for the purchase of a home.

The Applicant plans to build five houses on the Regina Street parcels to provide possible inventory to sell at a favorable price to the future homeowners of this endeavor.

2. Obtain a “plan Consistency Letter.”

A “Plan Consistency Letter” from Geoffrey Knight, Planning Director of the Harrisburg Planning Bureau, is attached as Exhibit “B.”

3. Evidence of Past Experience.

Applicant is an LLC with two principals, Jamien Harvey and Shaun O’Toole. Mr. Harvey, while employed as the executive director of the Camp Curtin YMCA, oversaw a project that is practically identical to this. The YMCA was designated as potential developer by the Redevelopment Authority for lots on the 600 block of Woodbine Street in Harrisburg. Mr. Harvey raised the capital through the same funding sources that the Applicant plans to use to finance this project. He was the YMCA’s point man in working with the engineers, architects, and contractors. The YMCA built four attached residential units on the lots which were nearly complete when Mr. Harvey left the YMCA’s employ in December, 2022. Within the next month, all four houses will be sold to low-income, first-time home-owning families. Mr. O’Toole is an attorney who has practiced in Harrisburg for the past 34 years. A considerable part of his practice involves real estate. He has also served on the Harrisburg Planning Commission for the past 18 years and therefore has an appreciation of the City’s zoning laws and code regulations and the necessity of abiding by the same.

4. Preliminary Site Plan. Attached as Exhibit “C.”

5. Preliminary Elevations & Floor Plan for Proposed New Construction.

Attached as Exhibit “D.”

6. Preliminary Estimate of Development and Construction Costs.

It is estimated that the project will cost \$1,250,000 to \$1,400,000.

7. Preliminary Financing Plan.

Applicant plans to raise the larger portion of the construction costs from grants from various sources including: Keystone Communities, Neighborhood Assistance, Pennsylvania Housing Finance Association, City of Harrisburg and Dauphin County.

8. Preliminary Construction Schedule.

It is anticipated that construction on the project will begin by the end of 2024 and be completed by the spring of 2025.

9. Offer of Purchase.

Applicant is offering to purchase the six lots for a total of \$24,000.

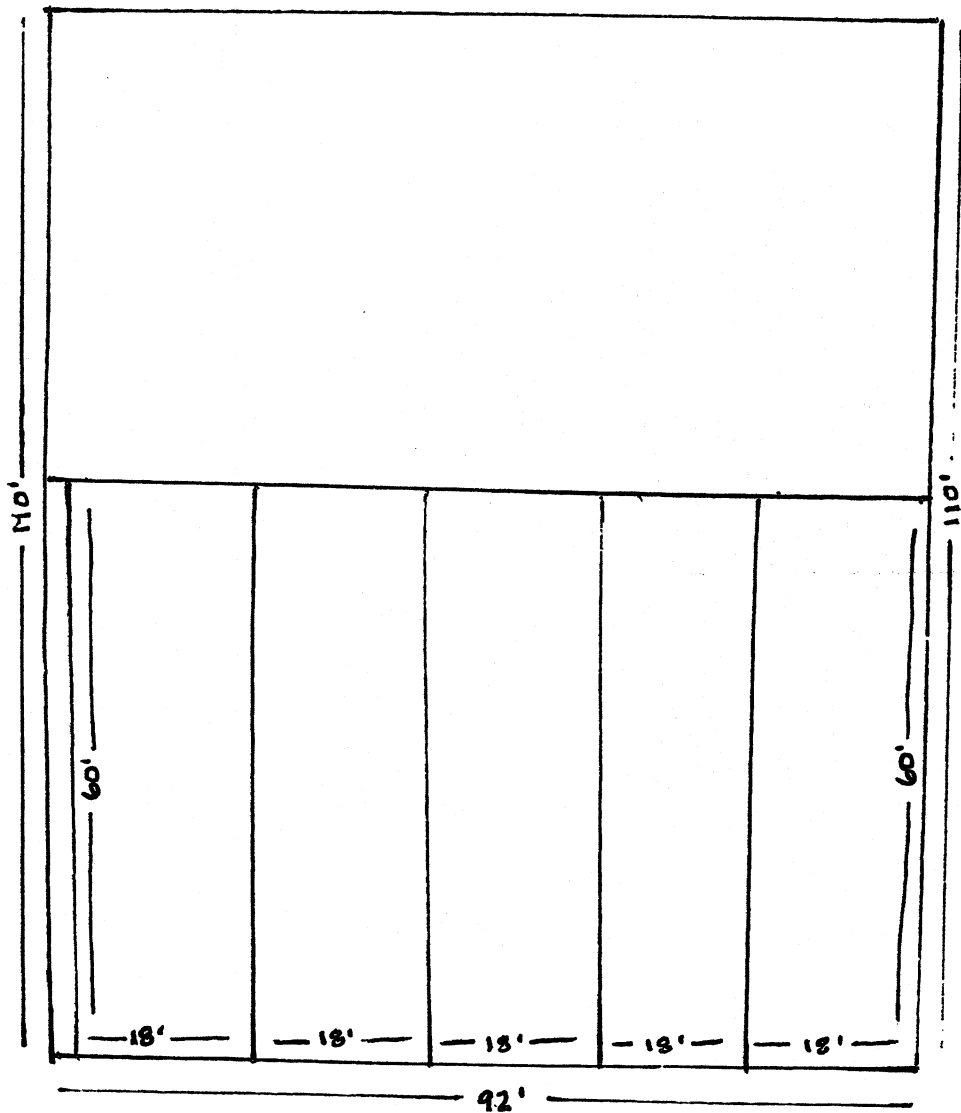


ON HILL DEVELOPMNET LLC

**9 UNIT APARTMENT BUILDING
1605 - 1615 MARKET STREET, HARRISBURG PA**



Exhibit "A"



Preliminary Site Plan

Exhibit "C"



The above is a rendering of the two-story version of the houses planned for this project. The houses that Applicant plans to construct on the parcels will be three story to complement the other three story homes on the block.

Exhibit "D"

Plan Consistency Letter from Harrisburg Planning Bureau

Exhibit “B”