

REDEVELOPMENT AUTHORITY OF THE CITY OF HARRISBURG

Regular Meeting December 18, 2012 - 12:35 P.M.

The Board of the Redevelopment Authority of the City of Harrisburg held a Regular Meeting on December 18, 2012, in Suite 405, Rev. Dr. Martin Luther King, Jr. Government Center, 10 North Second Street, Harrisburg, Pennsylvania, at 12:35 p.m. Chairman Daniel C. Leppo presided.

PRESENT:

Harold Dunbar
Dan Leppo
Shaun O'Toole

ABSENT:

Michael Wilson

Also present were: Peggy Sheibley, Administrative Project Manager; Stuart Magdule, Esquire; Bryan Davis, Executive Director; Paul Peffley; Bill Gladstone, NAICIR; Chuck Heller, Landmark Commercial Realty; Jeb Stuart and Lenwood Sloan, Friends of the Bethel Trail.

MINUTES

The minutes of the Regular Meeting of October 16, 2012 were presented for approval. Mr. O'Toole moved to approve; seconded by Mr. Dunbar. The motion passed unanimously.

TREASURER'S REPORT

The Treasurer's Reports for August and September, 2012 were presented for approval, subject to audit. Mr. O'Toole moved to approve; seconded by Mr. Dunbar. The motion passed unanimously. The Treasurer's Reports for October and November, 2012 were presented for review.

COMMUNICATIONS

Mr. Davis brought to the Board's attention that the completion of the Furlow building. A ribbon cutting was held and the apartments are being leased. Also, the Joshua Group, at 1549 Market Street, will possibly relocate across the street with the use of \$125,000 of Commonwealth funds. We have been working with them and they have made significant progress in raising funds for the renovations. The budget minimum is in the amount of \$700,000.

Regarding the former Allison Hill Automotive site, Hamilton Health Center's new facility; we completed the paperwork for the Commonwealth, DEP, and we received their ACT 2 letter.

PUBLIC COMMENT

None

REORGANIZATION

Mr. Magdule introduced **RESOLUTION NO. 15** which sets forth the slate for the calendar year 2013 and the slate is proposed as follows: Daniel C. Leppo, Chairman; Shaun O'Toole, Vice Chairman; Harold Dunbar, Secretary/Treasurer and Michael Wilson, Assistant Secretary/ Treasurer and a fifth member slot is open. Mr. Magdule entertained a motion to approve the resolution. Mr. O'Toole approved; seconded by Mr. Dunbar. The motion passed unanimously.

OLD BUSINESS

None

NEW BUSINESS

RESOLUTION NO. 14-2012, authorizing the Executive Director to approve the placement of a Historical Sign at the Harrisburg Transportation Center by the Friends of Bethel Train Heritage Project. Mr. Sloan told the Board that the organization has worked at the train station for the past eight years placing several historic plaques. Mr. Stuart for the City of Harrisburg has placed Harrisburg City history signs there and while he was under the stewardship as Director of the Heritage Program, we placed significant Civil War signs on the opposite corner. This new sign will sit between these two signs at the bus station shelter. He explained that we are in the middle of a 150th Anniversary commemorating the Civil War. And there will be two events in Gettysburg next year. To arrive at Gettysburg one must pass through the Harrisburg Train Station, Harrisburg Airport and the Harrisburg Turnpike. The signs represent the history of the Church's many locations from its founding until today; the Train Station is the gateway sign for the Church's first location, second sign at the Forum Building, third sign at the Justice Building and the final sign will be placed at 6th and Herr now known as Fox Ridge. The church ended its twentieth century residency here. Also, there will be an inauguration of this program on January 15, 2013 at the Transportation Center. Mr. Dunbar inquired as to how much this will cost the Board. Mr. Magdole replied that the Redevelopment Authority would take ownership of the sign at no cost to them. There will be a separate maintenance agreement with JumpStreet. Mr. Sloan explained that JumpStreet, Inc. runs the Public Art Program for the PA Council of the Arts; they will absorb these signs into their inventory for insurance purposes. Mr. Dunbar moved to approve the motion; seconded by Mr. O'Toole. The motion passed unanimously.

RESOLUTION NO. 16-2012, approving the Authority's regular meeting dates, place and time for the 12-month period beginning January, 2013. Mr. Leppo brought to the Board's attention, the only date that is different from the usual third Tuesday, is in September, the 10th. Mr. Dunbar moved to approve the motion; seconded by Mr. O'Toole. The motion passed unanimously.

RESOLUTION NO. 18-2012, authorizing the Executive Director to designate SAN-PEF, Inc. as Designated Developer of 1701 N. 3rd Street, Harrisburg, PA to renovate the property for eight residential apartments and 1st floor commercial space. Mr. Davis explained that financing has been secured and a building permit has been secured, therefore, all of his plans have been reviewed by DBHD and it has been confirmed that there are no special applications that need to be made to any of the review Boards. Mr. Peffley spoke about his background in the City; the most recent project was at 1014 N. 3rd Street of thirteen apartments and commercial storefront. Mr. Davis asked who has the first mortgage. Mr. Peffley replied that it is with Metro Bank. Mr. Leppo asked how much time to finish project. Mr. Peffley replied about nine to twelve months. He also mentioned another project he did at Cameron and Herr Streets, a complete rehab. Mr. Leppo asked if there will be a sprinkler system installed at 1701 N. 3rd Street. Mr. Peffley replied that it will be installed and a special well pump will be put in the basement in case of flooding. Mr. Leppo inquired about parking. Mr. Peffley replied that there is a lot of available street parking and public transportation. Mr. O'Toole moved to approve the motion; seconded by Mr. Dunbar. The motion passed unanimously.

Mr. Dunbar said that in spite of the City's fiscal problems developers continue to come into the City and do good work. He has come to the conclusion that for Harrisburg it is a short range, very difficult time, but he thinks the long range is going to be good. So in the City's darkest hour in terms of debt, the developers are still investing in the City. Mr. O'Toole added there is major construction on Front Street with PHFA expanding.

RESOLUTION NO. 17-2012, approving the General Operating Budget for the Fiscal Year beginning January 1, 2013 in the amount of \$574,863.00. Mr. Davis spoke about the train station budget in that there has been slight fluctuation due to savings of utility costs. The costs for the most part are holding the line and the budget was based on an assumption that it would last a full year. Although we have not finalized any kind of lease negotiations or renewal of existing lease with Amtrak, should that event occur that we do not continue managing the train station, there would likely be a sharp decline in quality property management. But from a budgetary standpoint, there are certain costs that we incur in the front end of the year that are loaded; insurance and heating costs. Regarding the operation budget, we maintained all of the positions are the same as last year, office costs are the same. There will be additional revenues which do not show on this budget. When contracts are finalized, there will be moneys for his additional work for CACH specifically with the new software implementation. As long as we can provide software support, it can be a sustainable source of revenue which is 75% funded by HUD. This budget does propose a modest increase in salaries of 3%. Mr. O'Toole inquired as to how many years had it been since there was an increase. Mr. Leppo replied three years. Mr. Leppo suggested checking with

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other redevelopment authorities in third class cities in PA to compare salaries. He stated that there is one position that needs a cap. Mr. Leppo suggested going into executive session at 1:05 pm. Regular session resumed at 1:25 pm. Mr. Dunbar moved to approve the motion; seconded by Mr. O'Toole. The motion passed unanimously.

OTHER BUSINESS

None

ADJOURNMENT

The meeting adjourned at 1:25 pm.

Respectfully submitted,

Secretary/Assistant Secretary