

REDEVELOPMENT AUTHORITY OF THE CITY OF HARRISBURG

Regularly Scheduled Meeting December 15, 2015 - 12:30 P.M.

The Board of the Redevelopment Authority of the City of Harrisburg held a Regularly Scheduled Meeting on December 15, 2015, in Suite 405, Rev. Dr. Martin Luther King, Jr. Government Center, 10 North Second Street, Harrisburg, Pennsylvania, at 12:30 p.m. Chair Dan Leppo presided.

PRESENT:

Crystal Baxter
Dan Leppo
Nichole Proctor

ABSENT:

Dwan Lee
Michael Wilson

Also present were: Peggy Sheibley, Administrative Project Manager; Stuart Magdule, Esquire and Bryan Davis, Executive Director.

MINUTES

The minutes of the Regular Meeting of November 17, 2015 were presented for approval. Ms. Baxter moved to approve; seconded by Ms. Proctor. The motion passed unanimously.

TREASURER'S REPORT

The Treasurer's Report for September, 2015, was presented for approval, subject to audit. Ms. Proctor moved to approve; seconded by Ms. Baxter. The motion passed unanimously. The Treasurer's Report for October, 2015 was presented for review. Ms. Proctor mentioned that she would like to sit with someone to go over the Treasurer's Report for a better understanding. Mr. Leppo suggested having this discussion at the January, 2016 meeting.

COMMUNICATIONS

Mr. Davis brought to the members attention marketing materials from the Harristown Development Corporation. He pointed out that the Verizon Bell Tower is now called the Commonwealth Tower. Mr. Leppo added that this piece was done jointly by the Downtown Improvement District and Harristown.

In reference to the Capitol Heights project, there has been recent conversation with Doug Neidich who is CEO of Greenworks Development. Mr. Neidich has expressed that Greenworks wants to be out of this project. He wants to know what the process would be with HRA in order to put the remaining parcels on the market. Mr. Davis suggested putting out an RFP for developers of single family homes and Greenworks is in agreement. Ms. Proctor inquired if the existing homes were occupied and Mr. Davis replied yes. She also inquired if the homes were owned or rented. Mr. Davis explained that when they were sold it was all to homeowners. Since the recession some might have become rentals.

Mr. Davis spoke about Harrisburg Housing Authority's Mulberry Apartments project regarding their designs which are 80% complete as well as title work and deeds. There is one deed in particular that had a restriction placed on it by HRA, 211 Crescent Street, and it says that only a single family home can be constructed there. Mr. Magdule explained that the property had been condemned back in 2001 and then Pat White, former employee of the Authority, had negotiated an amicable solution with the homeowner; so the Authority withdrew the condemnation and there was a Deed in Lieu of Condemnation put on record. When that Deed was put on record into the Redevelopment; for reasons he doesn't have a clue, Pat included the restriction that if the property was conveyed out of the Authority, it had to be a single family owned property. Now what has to happen is an agreement needs to be signed by both the Authority and the City that says that the restrictions are removed. Mr. Magdule added that in this project there will be three groups of properties; Mulberry East, Mulberry West and Derry Thompson. The land development plan combines all of the individual parcels into larger parcels.

Mr. Leppo inquired about the Market Place townhome project. Mr. Davis replied that the developer is still marketing and has installed new signs. He added that he will obtain an update from S&A for next meeting.

Mr. Davis updated the members regarding the Transportation Center. Work is continuing with PennDOT and the City on a three part agreement for the Transportation Oriented Design work that will look at the real estate adjacent

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to the station and on the other side of the tracks up to Cameron Street.

Mr. Leppo announced that a letter of resignation was received from Mr. Magdule as of this Board Meeting. He expressed that he would like to keep Mr. Magdule on till another Solicitor is hired. He also expressed DEEP REGRET that Mr. Magdule is resigning. Mr. Leppo directed that an RFP be issued for a new Solicitor in January. He thanked Mr. Magdule for all the years of outstanding service. Mr. Magdule offered his services till another Solicitor is hired and in the future, he is offering his assistance if needed. Mr. Leppo made a motion to accept the resignation of Mr. Magdule with deep regret but would like to retain his services until a new solicitor is hired. Mr. Magdule said that one of the successes of the Redevelopment Authority is the fact that the Authority has been able to stay out of politics. Ms. Baxter offered this motion from the floor: "The Authority hereby with deep regret and great appreciation for 37 years of service accepts Mr. Magdule's resignation as Solicitor of the Authority and also authorizes him to continue representing the Authority until such time as a new Solicitor is engaged." Ms. Proctor seconded, and the motion passed unanimously.

PUBLIC COMMENT:

None

REORGANIZATION

RESOLUTION NO. 14-2015, designating the officers of the Board of Directors of the Harrisburg Redevelopment Authority for 2016. Ms. Proctor moved to approve; seconded by Ms. Baxter. The motion passed unanimously.

OLD BUSINESS

Ms. Baxter inquired the status of Biebers' debt to HRA. Mr. Magdule replied that yes there will be action taken. He added that the lease that was originally signed contained a Confession of Judgment Clause; however, over the last twenty plus years, the standards for filing a Confession of Judgment have changed. Additional research proved that using the Confession would be attacked too easily so it would be better to file a complaint against them and sue in court.

NEW BUSINESS

RESOLUTION NO. 13-2015, approving the Harrisburg Authority Board meeting dates, place and time for the 12-month period beginning January, 2016. Mr. Leppo pointed out that we are shifting the meeting day to the second Tuesday of the month. Ms. Proctor moved to approve; seconded by Ms. Baxter. The motion passed unanimously.

RESOLUTION NO. 15-2015, authorizing the Authority to approve the General Operating Budget for the fiscal year beginning January 1, 2016 in the approximate amount of \$611,056.00. Mr. Davis added that he is recommending a 1.7% increase for staff. He will not be taking the increase so that we can have the staff covered. The energy costs have increased somewhat but we do get excellent rates through Benchmark. He said that he will present to the members a report from Benchmark to show the rates. Personnel size remains the same and he shared with the members that if a HUD grant is funded on the Coalition side, it will help to offset the costs of Deb and George, in that they will be able to provide additional services to the Coalition and thereby the cost directly to the Authority will change. At this time, part of Georges' salary is being paid by a planning grant that comes from HUD and that planning grant has doubled. Regarding to Deb Ritchey, the Authority has had to subsidize the indirect costs to her position. Ms. Baxter moved to approve; seconded by Ms. Proctor. The motion passed unanimously.

RESOLUTION NO. 16-2015, authorizing the Executive Director to execute an Engagement Letter with the firm of Maher Duessel CPA to provide accounting services for fiscal years ending December 31, 2015, 2016 and 2017 in an amount not to exceed \$16,720, \$17,800 and \$17,800 respectively. Mr. Davis added that every three years a

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solicitation process is exercised and this year there was only one other proposal. The secondary benefit of engaging Maher Duessel as our auditor is that they are the City's auditor and this enhances their efficiency. Ms. Proctor moved to approve; seconded by Ms. Baxter. The motion passed unanimously.

OTHER BUSINESS

Mr. Leppo inquired if anything has been received regarding RFP for Land Bank Solicitor. Mr. Davis replied that at this time, still waiting for proposals that are due by December 23rd.

Mr. Leppo mentioned the Holiday Luncheon taking place at the Millworks on December 22nd.

ADJOURNMENT

The meeting adjourned at 1:20 pm.

Respectfully submitted,



Secretary/Assistant Secretary