

REDEVELOPMENT AUTHORITY OF THE CITY OF HARRISBURG

Regularly Scheduled Meeting December 19, 2017 - 12:35 P.M.

The Board of the Redevelopment Authority of the City of Harrisburg held a Regularly Scheduled Meeting on December 19, 2017, in Suite 405, Rev. Dr. Martin Luther King, Jr. Government Center, 10 North Second Street, Harrisburg, Pennsylvania, at 12:35 p.m. Chair Dan Leppo presided.

PRESENT:

Stacia Zewe (via phone)
Dan Leppo
Nichole Johnson
Michael Wilson

ABSENT:

Crystal Brown

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

MINUTES

The minutes of the Regular Meeting of September 19, 2017 were presented for approval. Mr. Wilson moved to approve; seconded by Ms. Johnson. The motion passed unanimously.

TREASURER'S REPORT

The Treasurer's Report for August, 2017 was presented for approval, subject to audit. Ms. Brown moved to approve; seconded by Mr. Wilson. The motion passed unanimously. The Treasurer's Reports for September and October, 2017 were presented for review.

COMMUNICATIONS

Mr. Davis shared with the Board the note from Bill Welch, our energy solutions broker, whom we use for our energy pricing at the Transportation Center. It showed that we are saving 14.6% this year.

Mr. Davis spoke about Harrisburg Housing's project on Mulberry Street in that all of the demo has been completed and completed significant excavation at two of the larger sites. Concrete foundations are being poured and walls are going up for the stair towers and elevator shafts.

Mr. Davis added that the maintenance truck that is also used to plow snow at the Transportation Center is beyond repair. We received three quotes from dealers and have utilized membership in CoStars to get reduced pricing.

Mr. Davis told the Board that the engineering work on the Mulder Square public improvements is continuing under the City's Engineer supervision. We are the conduit for the three million dollar RACP grant and mostly all of the money will go into the infrastructure improvements for public safety. The Authority will not be holding the contract for any of the work; we are just the pass through. The City is overseeing all of the expenses and inspections of the project.

Mr. Davis shared with the Board that the Authority received the Phoenix award for the Hamilton Health Center Project.

PUBLIC COMMENT:

None.

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OLD BUSINESS

None

NEW BUSINESS

RESOLUTION NO. 13-2017, approving the Harrisburg Redevelopment Authority Board meeting dates, place and time for the 12-month period beginning January, 2018. Ms. Johnson moved to approve; seconded by Mr. Wilson. The motion passed unanimously.

RESOLUTION NO. 14-2017, authorizing the Authority to approve the General Operating Budget for the fiscal year beginning January 1, 2018 in the approximate amount of \$615,539. Mr. Davis explained that we are under the budgeted amount for the year. Based on what we experienced last year, we are proposing a 2% increase in salaries plus we have calculated an estimated monthly payment for a new truck for the Transportation Center. Regarding the Transportation Center, Mr. Davis added that we are looking at another year of possible subsidy because of the vacancies. Our broker has been aggressively marketing the space but we have the competition of other vacant City space that is being deeply discounted. We need one or two more suites occupied to break even at the station. Mr. Leppo inquired as to the vacancy rate. Mr. Davis replied that it is about 60%. He also added that we are getting interest from smaller businesses for possible incubator space. Mr. Wilson shared that off of Paxton Street there is a Work Space Hub and maybe they would be interested in a partnership for an extension of those spaces that are fully occupied. Mr. Davis spoke about the Susquehanna Harbor budget page, which has a positive cash flow. He pointed out that there is a management fee of \$22,000 and he explained that this is HRA paying ourselves. Mr. Davis went on to the break-down of benefits and salaries and pointed out that the salary schedule is amended with a proposed 2% increase. Mr. Wilson moved to approve; seconded by Ms. Johnson. The motion passed unanimously.

RESOLUTION NO. 15-2017, authorizing the Executive Director to execute a Purchase of Vehicle Agreement with Penske Buick GMC for a 2018 GMC Sierra 2500 HD 4 WD Reg Cab for use at the Harrisburg Transportation Center, 415 Market Street in the amount of \$35,405.00. Ms. Johnson moved to approve; seconded by Ms. Zewe. The motion passed unanimously.

RESOLUTION NO. 16-2017, authorizing the Executive Director to execute a commercial office space lease with PA Orthopaedic Society for Suite 210 at the Harrisburg Transportation Center. Mr. Wilson moved to approve; seconded by Ms. Johnson. The motion passed unanimously.

RESOLUTION NO. 17-2017, authorizing the Authority to approve an Easement Agreement for the construction of Green Infrastructure by Capital Region Water on 10, 12 and 14 N. 13th Street and the 1200 block of Bailey Street. Mr. Leppo inquired if these are underground lines. Mr. Davis explained that, yes, this is redirecting the underground pipes from street storm water inlets - over to these properties which we hold title to. The properties were not slated for new construction or to be developed. The Bailey lots at one time were a garden but have been neglected over time. This location is where CRW wishes to excavate the entire space and then install a piping system that will take the storm water off the streets and allow to perk into the soils per engineering standards. Once this is done, they will install a new public space that is park like with benches and flower beds. Mr. Leppo added that this is a very good idea. Mr. Wilson moved to approve; seconded by Ms. Zewe. The motion passed unanimously.

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RESOLUTION NO. 18, authorizing the Authority to acquire 323, 325 and 327 S. 15th Street, 324 and 326 Brook Street, and 1507 Drummond Street from BRICOR Properties LLC for the City to construct a new Police Precinct building. Mr. Davis explained that these are all vacant lots and are adjacent to the properties that the City currently owns. Recently City Council approved funding for the construction of a new precinct building. The City had reached out some time ago to the existing owners of these parcels and they were agreeable to donate for \$1 to the City. But for whatever reason, the City did not follow through. So now the owner wants \$2,000 for each parcel. The Authority has an agreement with the City that says HRA will acquire property on behalf of the City and be custodian of the title. The agreement says that the City will reimburse HRA for all of the costs associated therewith. We have learned since that there might be some problems with the title searches. Mr. Leppo reiterated that HRA will be reimbursed in full by the City at the end of this process. Mr. Davis, for the record, said the Mayor assured him, yesterday, at 4pm, that HRA will be reimbursed. Ms. Johnson moved to approve; seconded by Mr. Wilson. The motion passed unanimously.

OTHER BUSINESS

Mr. Davis suggested going into Executive Session to discuss a personnel issue. The session began at 1 pm and ended at 1:30 pm.

ADJOURNMENT

The meeting adjourned at 1:30 pm.

Respectfully submitted,



Secretary/Assistant Secretary