

**REDEVELOPMENT AUTHORITY OF THE CITY OF HARRISBURG**

**Regularly Scheduled Meeting April 24, 2018 - 12:30 P.M.**

The Board of the Redevelopment Authority of the City of Harrisburg held a Regularly Scheduled Meeting on April 24, 2018, 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 Brown (via phone)  
Dan Leppo  
Nichole Johnson (via phone)

**ABSENT:**

Stacia Zewe  
Michael Wilson

Also present were: Peggy Sheibley, Administrative Project Manager; Bryan Davis, Executive Director; Stuart Magdule, HRA Solicitor and John Logan, COO, Hamilton Health Center.

**MINUTES**

The minutes of the Regular Meeting of January 16, 2018 were presented for approval. Ms. Johnson moved to approve; seconded by Ms. Brown. The motion passed unanimously.

**TREASURER’S REPORT**

The Treasurer’s Report for November, 2017 was presented for approval, subject to audit. Ms. Brown moved to approve; seconded by Ms. Johnson. The motion passed unanimously. The Treasurer’s Reports for December, 2017, January, February and March, 2018 were presented for review.

**COMMUNICATIONS**

Mr. Davis requested the members to complete the Statement of Financial Interest form. Ms. Johnson inquired as to the deadline for the form. Mr. Leppo replied that as soon as possible would be good.

Mr. Davis spoke regarding the Capital Heights development in that there is already a land development plan to build single family homes on Phase IV and the infrastructure is in place.

The Mt. Pleasant housing project update is that all of the existing units are either sold or under a lease purchase agreement. The building of three homes has been planned to be built in nine days by Habitat and Tri-County with 120 youth from the National Habitat Build Team. Ms. Brown added that there are 40 adults for supervision, so the total is 160.

Mr. Magdule added that the date for submittal of the Statements of Financial Interest is by May 1<sup>st</sup>. Mr. Leppo pointed out that the Harrisburg Land Bank needs to be added.

Mr. Davis shared with the members the Transit Oriented Development Master Plan as well as the Paxton Creek Master Plan that has been published by PennDOT and the link is in his report. He continued to say that we have been working closely with the City and PennDOT on the next step which is an application must be made to FEMA that will outline what types of improvements at Paxton Creek; extensive surveying has to be done to demonstrate that the conceptual plan can actually be accomplished. Once FEMA approves this permit, then when the completed work is

approved this will result in these certain parcels being removed from the Flood Maps. In total, it is 400 acres that can be affected by the re-channelization of the Paxton Creek. An application has been made for over 2.28 million dollars of RCAP in February which would be used to remove obsolete bridges and this is part of PennDOT's published plan.

Regarding the Harrisburg School District in relation to Dauphin County Repository bids, the County, School District and the City always approved the \$100 bid from HRA for property off of the Repository List. Our agreement with Impact Harrisburg for their \$500,000 included acquisition of 48 properties. When we submitted our bid to the County, we received approval from the City and the County but the School District balked. Now the new School Board is asking for the \$500 bid per parcel. Ms. Johnson asked if the School Board gave a reason why for their decision. Mr. Davis replied no and that there was no discussion and no invitation to make any comments.

**PUBLIC COMMENT:**

Mr. Logan of Hamilton Health Center updated the members in regards to HRA owned land around the Hamilton Health site. Wohlsen Construction was the general contractor for Phase I and II and their initial projections for Phase III and IV were that the environmental remediation of contaminated soils was going to be approximately \$350,000. Then, after Skelly and Loy's additional environmental remediation assessment, the cost escalated to an estimate of \$550,000. This put the project out of range with the proposed tenant. Then they went out and got actual bids and the project came to a million one and then we learned about the PA DCED ISRP Program through CREDEC and HRA, and with prevailing wage taking it to million three. The ISRP project does not cover contractor's fees, bonds, and general management fees therefore Hamilton Health will need to cover these costs. They have applied for the ISRP grant utilizing the relationship between HRA, CREDEC and Hamilton Health Center which was submitted a couple of months ago. They were not able to make our deadline for our tenant to move in for three reasons; site remediation, an internal problem that was resolved and the New Market Tax Credits running out. Mr. Logan expressed that they would like to do construction in September and get the ISRP Grant approved and the land remediated so that the IRSP would have approval by end of May; bids could be sought and then commence the project and do all of the closure reports by the end of August. This would be the timeline of closing the New Market Tax Credits which would put us as the sole owner of the land of both parcels without the bank or any other encumbrances and then be able to move forward to construction.

Mr. Davis added that Hamilton Health and HRA had conversations with CREDEC about opportunities to do activities jointly. DCED said that there were three grants in their files that were outstanding. Their explanation was that they needed closeout audits on the conduit financing for the Stadium Project and the Greenworks Project, Fulton Bank building. Mr. Davis contacted HRA's auditors and explained that there were documents that the City could not find at the time the audits were done. Our auditors are going to go over their notes of that time and then let us know what needs to be done and the time frame involved. Then the conversations with DCED outcome was that if we can just give them a time frame to expect these audit closings, then they can process the IRSP Grant.

Mr. Magdole added that he reviewed the Agreement of Sale which will accommodate the site control. Mr. Davis added that the amendment to the Environmental Covenants will accompany the Agreement of Sale.

Mr. Logan brought up the HRA Resolution that was passed in 2014 and said he would like to revisit it regarding the conditions. It states that certain tenants will be housed and they would like to rescind or revise the resolution. He stated that they want to build more space for the Hamilton Health Center and choose who the tenants will be. Mr. Leppo said that he has no objection with taking another look at the resolution. Mr. Davis stated that it sounds like the originally planned improvements will no longer meet Hamilton Health's needs, and asked Mr. Logan if he believed Hamilton Health might plan some other

new construction at the site. Mr. Logan said that is a distinct possibility.

Ms. Johnson expressed interest in meeting regarding to discuss this in more detail and to digest the new information. Mr. Davis said that there will be other meetings aside of the Board Meetings to discuss this.

### **OLD BUSINESS**

None

### **NEW BUSINESS**

**RESOLUTION NO. 3-2018**, authorizing the condemnation through the exercise of Eminent Domain of one parcel of real estate; 1828 Walnut Street, Harrisburg, PA. Mr. Davis added this parcel has gone through the process with the City's Vacant Property Reinvestment Board and they have requested the Redevelopment Authority to file its Notice of Condemnation and Declaration of Taking under the Eminent Domain statute of the Commonwealth of PA. Mr. Leppo inquired the purpose of this taking. Mr. Davis explained that Dieu Thanh Bang, a City employee, and her family will conduct the demolition and they are hoping that a Buddhist Monk will sponsor a new monastery. Ms. Johnson moved to approve; seconded by Ms. Brown. The motion passed unanimously.

### **OTHER BUSINESS**

None

### **ADJOURNMENT**

The meeting adjourned at 1:20 pm.

Respectfully submitted,

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Secretary/Assistant Secretary