

REDEVELOPMENT AUTHORITY OF THE CITY OF HARRISBURG

Regularly Scheduled Meeting December 15, 2020 - 12:30 P.M.

The Board of the Redevelopment Authority of the City of Harrisburg held a Regularly Scheduled Meeting on December 15, 2020, in the lower level City Council Room, Rev. Dr. Martin Luther King, Jr. Government Center, 10 North Second Street, Harrisburg, Pennsylvania, at 12:30 p.m. by Stacia A. Zewe, Board Chair.

**HRA BOARD MEMBERS PRESENT via Zoom,
Web-based Video Conferencing and/or Telephone:**

Stacia Zewe
Nichole Johnson
Crystal Brown
Daniel Leppo

ABSENT:
None

THE PUBLIC PRESENT via ZOOM were: Christopher Rice, Attorney for 1037 Maclay Street, LLC, and Tiffanie Baldock, Sr. Deputy Solicitor with the City.

Also present were: Janell Weaser, Harrisburg Redevelopment Authority (HRA) Administrative Project Manager; Bryan Davis, HRA Executive Director.

MINUTES

The minutes of the Regular Meeting of October 20, 2020 were presented for approval. Mr. Leppo moved to approve; seconded by Ms. Brown. The motion passed unanimously.

TREASURER'S REPORT

The Treasurer's Reports for August and September 2020 were presented for approval, subject to audit. Mr. Leppo moved to approve; second by Ms. Johnson. The motion passed unanimously. The Treasurers Reports for October 2020 was presented for review.

COMMUNICATIONS

Mr. Davis mentioned the monthly reports submitted from the Developers at Cameron Street and MarketPlace. He pointed out that the Authority is working to have a First Amendment to the Redevelopment Contract with Seven Bridges and 1037 Maclay Street LLC that would line up with some conditions that have evolved since COVID and to have it memorialized. Mr. Davis had hoped this would be presented today but it is not fully completed. He is hoping to it completed before the year's end. A Special Board Meeting will be needed sometime next week. It will just be a calling of the meeting to order, answering any questions from your review and hopefully to approve the First Amendment to the Redevelopment Contract.

Ms. Zewe wanted to mention that she noted from the MarketPlace proposal documents that the project is all apartments. Ms. Zewe said that both Bryan and she had a follow-up with them to clarify that none of the properties are going to be for sale. She confirmed that the properties will all be held by Seven Bridges/1037 Maclay Street, LLC and that they will be maintaining the apartments.

PUBLIC COMMENT:

None

OLD BUSINESS

None

NEW BUSINESS

RESOLUTION NO. 20-2020, authorizing the Authority to approve RB Development LLC the status of *Potential Developer* for a housing project located at 1175 Bailey Street. Mr. Leppo moved to approve; seconded by Ms. Brown. The motion passed unanimously.

Mr. Davis shared with the Board Members the proposal that was submitted by Ryan Sanders from RB Development LLC. Their proposal contains sketches, a preliminary budget and financing. The proposed project shows thirty-units, of affordable housing on the bluff at the end of Baily Street. Just up from Market and Cameron Street.

Mr. Leppo inquired if that is the property that over looks everything. Mr. Davis confirmed.

Ms. Zewe brought to the Members attention that she has a client that is a daughter to one of the Principles of RB Development. Her Client is the daughter of Blane Stoddart. He is with the other company, the BFW Group LLC listed in the proposal documents. She was not sure if this posed a conflict of interest for her to be able to vote on this Resolution.

Mr. Leppo asked Ms. Zewe if she would receive any direct compensation from them.

Ms. Zewe replied no.

Mr. Leppo said that she is able to participate in the voting.

RESOLUTION NO. 21-2020, authorizing the Authority to extend the *Potential Developer* status to November 30, 2021 for Camp Curtin YMCA's housing project on (3) properties located at 632-648 Woodbine Street. Mr. Leppo moved to approve; seconded by Ms. Brown. The motion passed unanimously.

Mr. Davis explained that this Resolution is to give an extension to Camp Curtin YMCA so they can have more time to finalize their financing for their project on lots the Authority owns on Woodbine Street. A Land Development Plan has been developed and they have gotten feedback on it. Mr. Davis is not certain if they have been approved and/or if they are just waiting for it to be filed at the County. Once they complete their financing then we can authorize the closing.

RESOLUTION NO. 22-2020, authorizing the Authority to approve the General Operating Budget for the fiscal year beginning January 1, 2021 in approximate amount of \$643,071. Ms. Brown moved to approve; seconded by Ms. Johnson. The motion passed unanimously.

Mr. Davis reported that the Authority's budget has not changed much from the past couple of years. The one thing that is different and they are struggling with is the Leasing and loss of revenue at the Transportation Center. This is impacting the Authority's cash flow. It is not a sustainable model should the lack of funds continue.

Mr. Davis advised the Board Members that next year we carefully and continuously monitor the current Leases and availability to acquire additional Leasing at the Transportation Center. Mr. Davis said another thing is to get the Insurance Line Item modified with Amtrak. The original agreement has us paying the Insurance on the building. This is too heavy a cost for the Authority to continue to carry. We must monitor this closely and take action next year if we are unable to get the revenue up again because of the Market. It is the Market that has changed. We have not changed the way we operate things.

Mr. Leppo agreed that the Market has changed. He gave a suggestion to maybe try turning some of the space into a Flex-Space. Perhaps someone commuting from the train might like to use a desk or anything else they need for a specific time at a reasonable fee. He was not sure of all the specifics and added that it could possibly raise more issues for the Authority.

Mr. Davis said that is an interesting idea.

Mr. Davis reported that one tenant had moved out due to COVID and another moved into a different suite. He

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asked the Board Members if they have any more ideas on how they could Lease space. Next, he mentioned should they run into people throughout their travels who are looking for smaller space; we are the perfect size for even an incubator type facility. And that they would not have to worry about security or maintenance inside and outside. The only thing we do not maintain is their inner suite. Plus, we are reasonably priced.

Mr. Davis said another thing because of the shutdown and because of the pandemic that we lost the opportunity to realize revenue from land sales – which developers would have acquired from us. The Authority was not able to sell certain assets and not able to recognize that revenue this year. Mr. Davis affirmed that the Authority did suffer from the Pandemic.

RESOLUTION NO. 23-2020, approving the Harrisburg Redevelopment Authority Board meeting, dates, place, and time for the 12-month period beginning January 2021. Ms. Brown moved to approve; second by Ms. Johnson. The motion passed unanimously.

OTHER BUSINESS

Mr. Leppo brought up the subject of acquiring new Board Members.

Ms. Zewe mentioned there has been progress. She asked Mr. Davis of how long ago it was that he submitted information to the Mayor regarding Ms. Trisha MaGilton.

Mr. Davis replied that he had submitted her information to the Mayor either late October or early November.

Mr. Leppo reminded the members that they need two persons.

Ms. Zewe acknowledged.

ADJOURNMENT

The meeting adjourned at 12:45 pm.

Respectfully submitted,


Secretary/Assistant Secretary