

# **REDEVELOPMENT AUTHORITY OF THE CITY OF HARRISBURG**

## **Regularly Scheduled Meeting January 18, 2022 - 12:31 P.M.**

The Board of the Redevelopment Authority of the City of Harrisburg held a Regularly Scheduled Meeting on January 18, 2022, in Suite 405, of the Rev. Dr. Martin Luther King, Jr. Government Center, 10 North Second Street, Harrisburg, Pennsylvania, at 12:31 p.m. Chaired by Nichole Johnson.

### **HRA BOARD MEMBERS PRESENT via TEAMS**

#### **Web-based Video Conferencing or Telephone**

Nichole Johnson  
Crystal Brown  
Alexander Reber

### **ABSENT:**

N/A

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

PUBLIC PRESENT via TEAMS was: Gary Lenker, Executive Director of Tri-County HDC, LTD.

### **MINUTES**

The minutes of the Regular Meeting of December 21, 2021 were presented for approval. Ms. Brown moved to approve; seconded by Mr. Reber. The motion passed unanimously.

### **TREASURER'S REPORT**

The Treasurer's Report for November 2021 was presented for review.

### **COMMUNICATIONS**

Mr. Davis informed the Members that two nights ago a Cat Bus crashed into one of the large cluster lights down at the Harrisburg Transportation Center located at 4<sup>th</sup> and Chestnut Streets.

Mr. Davis wanted to thank Chuck and Aaron, the staff who were present for clearing the snow and ice. When it happened, they promptly cleaned things up and out of the street then they informed our Insurance Company right after. Pictures were taken in addition to having the incident on film from our surveillance cameras.

### **PUBLIC COMMENT**

None

### **OLD BUSINESS**

None

### **NEW BUSINESS**

**RESOLUTION NO. 1-2022** - designation of the officers of the Board of Directors of the Harrisburg Redevelopment Authority for 2022. Mr. Reber moved to approve; second by Ms. Brown. The motion passed unanimously.

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Mr. Davis asked Ms. Rowe to introduce Resolution No. 1-2022, the designation of officers at the beginning of the Meeting.

**RESOLUTION NO. 2-2022**– authorizing the Authority to approve the sale of 115, 117 & 119 King Street to Damion Scott for an accessory yard to his adjacent property. Ms. Brown moved to approve; second by Mr. Reber. The motion passed unanimously.

Mr. Davis disclosed that Damion Scott had contacted him many times over the past years. He is someone with a lot of vision but not the resources. He had wanted the Redevelopment Authority to give him real estate for one dollar. Mr. Davis said that Mr. Scott is not an experienced developer. The reason we are recommending this sale is because the parcel he owns has a workshop on it and the land on King Street is basically everyone's back yard. King Street is a little alley and divides everyone's backyards from our land. These lots are nestled into a bank, not likely a space that anyone would wish to build on and would be a good use for green space that he could maintain.

Mr. Davis added that the Redevelopment Authority inherited these lots from the City to help with finding a reuse for them. Mr. Scott wants the lots for green space and if later down the road should he wish to expand with any construction, then he would have to seek approval from Zoning and Planning.

Ms. Rowe noted that this resolution has worded for use as an accessory yard. She said this is something that should be added as a condition for the use of the property moving forward. She will research the Zoning Code definition for green space. Ms. Rowe said you do have provisions here that we can add whatever we think is reasonable and appropriate as far as conditions, so we can address that at a later time.

Mr. Davis said the next time we have a similar situation we can add another item in the conditions that states, the buyer must comply with all zoning and planning codes. If the current stated reuse were to change the property owner must first seek the approval of any planned construction from the City's Planning Bureau and Codes Departments.

Mr. Reber inquired as to the Redevelopment Authority's process for sale prices. He was curious of this sale price of \$3,500.

Mr. Davis informed that we try to avoid spending money on appraisals. If there is an appraisal, we will use that but in the absence of an appraisal we will use the County's assessed value and compare that to any recent Redevelopment Authority sales that closed in the area. Or if the assessed value is a little short, I might use the Commonwealth's Common Level Ratio to multiply that and come up with something that I think is more accurate plus, look at other lots that have sold for in the area.

Mr. Davis gave an example. We recently negotiated a sale price for three lots on Market Street at \$3,000 per lot. That project is for new construction. This one is for greenspace. And side yards are usually a sliver of land that is not buildable next to someone's home. We will sell that for \$500, plus our cost and the transfer tax. The Authority needs to get a little something for everything. Mr. Davis said there are no one dollar property sales.

Mr. Davis wanted to share one more thing. He said our lot sales in Uptown, Midtown and up on the Hill are \$3,500 per lot which is something rare due to not having a land development plan. Now if there is a filed land development that increases the value substantially. The sale price could be \$9,500 - \$12,500.

Mr. Davis gave another example. The Redevelopment Authority recently made an agreement of sale with a school on Vernon Street. We have the price for a large single lot at \$10,000. This property is buildable, but they plan to use it as a play area with space set aside for a pavilion. There were no other interested parties, so the board was amendable to adding value to the school.

**RESOLUTION NO. 3-2022** - authorizing the Authority to be the Public Applicant for Tri-County HDC, LTD.'s awarded \$500,000 Redevelopment Assistance Capital Program (RACP) grant. Ms. Brown moved to approve; second by Mr. Reber. The motion passed unanimously.

Mr. Davis greeted Mr. Lenker and introduced him to the Board Members informing them that he has been a long-time partner with the City and the Redevelopment Authority. Tri-County HDC, LTD has provided a lot of leadership up on the Hill. They constructed new single-family homes on Swatara Street. They plan to build additional homes and have asked the Authority if we would be a conduit for some of the Redevelopment Capital Assistance Program Funds (RCAP) that they were awarded.

Mr. Lenker addressed the Board Members and said we do serve as the City's Community Housing Development Organization and this all old news to Ms. Brown as she had served on our board at one time when she was with Brethren Housing. She is missed in that regard.

Mr. Lenker said in the first year of the Papenfuss Administration we were taken to this block and made a significant impact. We acquired fourteen (14) properties and had five (5) blighted rowhomes torn down and plan to construct new townhomes in its place. Mr. Lenker informed that they rehabbed five (5) homes. Everything we do is homeownership.

Mr. Lenker informed that this project had some setbacks. The City's prior Administration neglected to handle some environmental reviews appropriately and we lost HUD funding. That is what we do in our roll. We take the Home and CBDG funding and develop affordable housing for low to moderate income people. We patched together several grants and I am very proud to say without the City's involvement.

Mr. Lenker said thanks to Senator DiSanto who was very helpful with us be awarded this RACP through the Governor's Office of Budget and this \$500,000 Phare Grant from PHFA, I am proud to say that we were able to raise a million dollars to do this townhouse project, but we need the assistance of the Redevelopment Authority to serve as a conduit to administer.

Mr. Lenker added, we have a consultant, Delta Development Group who Mr. Davis is familiar with. They will be handling all the paperwork.

Mr. Lenker shared that one of the things he plans on communicating to the new Mayor, Wanda Williams is that she needs to get the Vacant Property Reinvestment Board back on track. That cost us and our non-profit several years and hundreds of thousands of dollars with this project. In the last eight months we got the last property demoed that we needed for this new construction project and there should have been one

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more, 250 Hummel that sits on the corner to make it a six (6) unit townhouse, but we were not able to do that.

Ms. Brown inquired of Mr. Lenker if they were the burned-out buildings on that block.

Mr. Lenker confirmed saying they have torn down six (6) all the way up to 248 Hummel and currently have a fence up. There is one half, 250 that remains sitting on the corner of Hummel and Kittatinny. We cannot do anything with that. Mr. Lenker said we have the plans drawn and are getting close to moving forward.

Ms. Brown wondered what size the new townhouses will be.

Mr. Lenker replied they are going to be three bedroom and one and half baths with full basements approximately 1500 sq ft. There will also be off street parking in the rear on Nectarine Street. And with all the challenges through COVID and a lot of crime in this neighborhood which Ms. Brown's successor, Kait Gillis-Hanna stepped in and did a great job partnering with us. We were able to get funding from City Council through some of the park funds for the security cameras. Last week the last one was installed on the sold rehabbed home at 247 Hummel. That makes three cameras in that alley. I must erect a pole because one of the things we found out is the utility companies will no longer permit the city or anyone else to put a security camera on a utility pole. The cameras will monitor down the alley, the driveways, and the back doors of the five-unit townhouses.

Ms. Johnson asked who will monitor the security.

Mr. Lenker replied, we will be doing that. We have an easement maintenance agreement prepared with the individual who purchased 247 Hummel since there are cameras on the front and back of the home so we can manage and maintain them. Eventually they will be connected to the City's Police Station. The cameras are state of the art. They have a 180-degree angle. Mr. Lenker shared that one of their first rehab clients who has been in residence for two years had called screaming that she had sixteen bullets that came into her kitchen from the gun fire occurring in the alley behind her home. That happened the summer of 2020. He said it was an act of God that she and the children were not injured. They were upstairs at the time. This is a very challenged neighborhood, and the security cameras are very important.

Ms. Brown said I hope that through investing in this part of the community that we can help to address some of those systemic challenges that have been in play. We were just talking about Blue Orchard at the end of the Land Bank Meeting. There is a long history as to why that part of the city has its challenges. I get very excited when I see that kind of investment in housing. I am a huge advocate that housing leads to economic stabilization. So, when you can see that happening hopefully Mr. Lenker, we can turn those ties because no one should have to experience anything like that.

Mr. Lenker said these townhouses are key to what is needed on that block and what we have accomplished to date. And the neighborhood with Brethren Housing and the Harrisburg Housing Authority building the apartments a couple years ago there has certainly been this synergy in the little area called MulDer Square.

Mr. Reber asked if the new townhouses will be the same style as the housing that was redone across the

street from the Church on Hummel Street, where Brethren Housing is located.

Mr. Lenker said they will not match the townhouses that Brethren Housing built. Those have a modern look. These new townhouses will fit in with what is existing in that neighborhood.

Mr. Reber perceived, more to the 250 Hummel property.

Mr. Lenker confirmed and said he could send the plans to Mr. Reber so he can look at them.

Ms. Brown asked Mr. Lenker about the sale price for 247 Hummel Street.

Mr. Lenker replied it is at \$109,900 and the one beside it had sold for \$89,900 about two years ago.

Ms. Brown was surprised. She said sale prices were around \$70,000 when she left Brethren Housing.

Mr. Davis backtracked to the subject of Tri-County HDC's having a consultant. Mr. Lenker has assured us that they will do the complicated submittal and monitoring submission of certified payrolls all the way up to closing out of the RCAP. The Redevelopment Authority staff will not need to perform those tasks. We will be in the purest sense a conduit. Mr. Davis said considering that, I am recommending our fees be adjusted. If the Authority was responsible for those submissions our cost and staff time would be immense. Our normal fees for conduit service are one percent plus one percent when we have little work involved. I am recommending a fee of \$7500 for performing this work for Tri-County HDC, LTD. Mr. Davis asked Mr. Lenker if that is agreeable.

Mr. Lenker affirmed that is very agreeable and we appreciate your support.

#### **OTHER BUSINESS**

None

#### **ADJOURNMENT**

The meeting adjourned at 1:00 pm.

Respectfully submitted,

  
Secretary/Assistant Secretary