

PHILADELPHIA REDEVELOPMENT AUTHORITY

**1234 MARKET STREET, 16TH FLOOR
PHILADELPHIA, PA 19107**

**BOARD MEETING
WEDNESDAY, JANUARY 09, 2019**

Open Session – 4:00 P.M.

A G E N D A

APPROVAL OF BOARD MINUTES

- (a) Meeting of December 12, 2018

I. EXECUTIVE DIRECTOR'S REPORT

II. ADMINISTRATIVE

- (a) **Appointment of the Board of Directors of RT HeadHouse Development Corporation**
- (b) 6200 Blocks of Osage Avenue and Pine Street
Bedo Productions Incorporated
Artist Services Agreement
- (c) Credit Enhancement Program
Approval of Guaranty Agreement with the Reinvestment Fund a/k/a Reinvestment Fund, Inc. (Loan to Innova Redevelopment, LLC)

III. DEVELOPMENT

Kensington North of Leigh Redevelopment Area
Joe Tirado, III
2159 Monmouth Street
Selection of Redeveloper

PHILADELPHIA REDEVELOPMENT AUTHORITY
BOARD MEETING MINUTES

A meeting of the Board of Directors of the Philadelphia Redevelopment Authority was held on Wednesday, December 12, 2018, commencing at 4:09 P.M., in the offices of the Philadelphia Redevelopment Authority, being its regular meeting place, 16th floor, 1234 Market Street, Philadelphia, Pennsylvania, pursuant to proper notices.

ROLL CALL

The following members of the Board of Directors reported present: Anne Fadullon, Chair; James Cuorato, Vice Chair; Duane Bumb, Secretary; Rob Dubow, Treasurer; Maria Duque-Buckley, 2nd Vice Chair and Assistant Secretary.

The following members of the Authority staff were present: Gregory Heller, Ryan D. Harmon, Esquire, Jane Allen, Karanja Slaughter, Larry Padilla, Jessie Lawrence, Brian Romano and Elizabeth Bonaccorso.

Also in attendance: Jacqueline Dunn, City Finance Department, Jihad Ali, Guardian Civic; and Jamila Davis, DHCD.

ANNOUNCEMENTS

Ms. Fadullon stated that the Board of Directors 2019 meeting schedule will be posted on the Authority's website following the meeting and will be advertised in accordance to the Sunshine Act. Ms. Fadullon pointed out that the October meeting will be held on the third Wednesday, October 16, 2019, rather than the second Wednesday, to observe a religious holiday.



MINUTES

Ms. Fadullon called for a motion to approve the minutes of the Board meeting of November 14, 2018.

Upon motion made and duly seconded, the minutes of November 14, 2018 were approved.



EXECUTIVE DIRECTOR'S REPORT

Mr. Heller informed the members of the Board that based on the volume of capital projects work that our Design & Construction staff are managing, the Authority recently hired four new tradespeople: Peter Holdsworth, Carpenter; Thomas Stanley, Cement Mason; Joseph Sumpter, Painter; and William Gause, Painter.

Next, Mr. Heller stated that there was one (1) groundbreaking held on November 26, 2018 for the West Poplar Homes, developed by Frankel Enterprises. This project involves new construction of twenty-six (26) workforce housing units at 11th and Wallace. These 3-bedroom, 2-bath units will be available to buyers making up to 120% of area median income. This project was built on land acquired through the Philadelphia Land Bank and was the first project to utilize PRA's Workforce Housing Credit Enhancement Program product.

Next, Mr. Heller stated that the Authority currently has posted twenty-six (26) requests for bids for twenty-four (24) scattered lots and two (2) scattered-site properties in South Philadelphia and the Riverwards. These bids are due on January 31, 2019.

Next, Mr. Heller stated that the Authority has a request for proposals posted for qualified prime contractors for the Nelson Recreation Center roof replacement project. This project is located at 301 W. Cumberland Street. These responses are due on January 4, 2019. This project is part of the City's Rebuild Program.

Finally, Mr. Heller stated that the Authority has a request for proposals for qualified prime contractors to renovate Moss Playground at 5700 Torresdale Avenue. These responses are due on January 11, 2019. This project is part of the City's Rebuild Program.



ADMINISTRATIVE

Mr. Harmon presented "Item II (a) – Cooperation Agreement between the Redevelopment Authority and the School District of Philadelphia" in substance consistent with the attached Fact Sheet hereto.

Additional Comment and Discussion

Mr. Heller informed the members of the Board that the Board of Education approved this transaction at their meeting and will enter into this agreement with the Authority.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2018-100

RESOLUTION AUTHORIZING A COOPERATION AGREEMENT BETWEEN THE REDEVELOPMENT AUTHORITY AND THE SCHOOL DISTRICT OF PHILADELPHIA

WHEREAS, the School District of Philadelphia (the "School District"), has requested the Redevelopment Authority to act as the School District's agent with respect to the marketing, bidding, transfer and development, as applicable, of two (2) properties located within the Eastwick section of Philadelphia: 1) the former George Pepper Middle School ("Pepper") located at 2801 S. 84th Street, Philadelphia, Pennsylvania; and 2) the former Communications Technology High School ("Comm Tech") located at 2900 S. 81st Street, Philadelphia, Pennsylvania (herein, together, the "School District Properties");

WHEREAS, the Redevelopment Authority is willing to provide its professional assistance to the School District in marketing, bidding, transfer and development, as applicable, of the School District Properties;

WHEREAS, the School District and the Redevelopment Authority have negotiated a Cooperation Agreement which states all terms, conditions, obligations and responsibilities of the parties when providing such services.

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority, that the Redevelopment Authority is authorized to execute a Cooperation Agreement with the School District whereby the Redevelopment Authority will act as agent for the School District with respect to the marketing, bidding, transfer and development, as applicable, of the School District Properties.

FURTHER RESOLVING, that the Executive Director is authorized to execute all further instruments, documents and agreements necessary to effectuate the purposes of this Resolution, which instruments, documents and agreements shall contain such terms and conditions as the Executive Director and General Counsel shall deem necessary or appropriate to protect the interests of the Authority.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Mr. Cuorato, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.



Mr. Harmon presented "Item II (b) – Fee for Releases of Side Yard and Open Space Management Deed Restrictions" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Harmon informed the Board that the Fact Sheet and Resolution are incorrect. Mr. Heller stated that Paragraph 3 should be modified to read as follows:

3. After this ten (10) year period and until expiration of the restrictions as provided in the deed or Redevelopment Agreement, the Authority shall receive an administrative fee of Five Thousand Dollars (\$5,000) adjusted by a multiplier equal to the percent increase in the average settled price of single-family properties in Philadelphia County from December 2013 until the date the request is originally received from the owner. Notwithstanding, in no event will such administrative fee be less than Five Thousand Dollars (\$5,000).

Ms. Fadullon acknowledged that Mr. Ali had a question. Mr. Ali asked how the fee would be determined in the event a property is proposed to be sold prior to the expiration of ten (10) years - i.e., is the fee simply an arbitrary number? Mr. Harmon stated that the fee is not arbitrary but rather would be based on a fair market value appraisal.

Mr. Harmon requested that the Board amend the resolution to reflect the correct language for Paragraph 3.

Board Action

Ms. Fadullon called for a motion on the amended resolution. Upon motion made and duly seconded, the amended resolution was approved as follows:

RESOLUTION NO. 2018-101 (AMENDED)

RESOLUTION AUTHORIZING REMOVAL OF DEED RESTRICTIONS IN CONVEYANCES MADE UNDER THE SIDE YARD PROGRAM AND THE OPEN SPACE MANAGEMENT PROGRAM

BE IT RESOLVED, by the Philadelphia Redevelopment Authority that authorization is hereby given for the removal of deed restrictions from conveyances made under the Side Yard

Program or pursuant to the Open Space Management Program, upon request of an owner and subject to the following conditions:

1. The owner requests the Authority to remove the deed restrictions in order to facilitate the fair market sale or the development of the property.
2. For ten (10) years following conveyance by the Authority pursuant to either the Side Yard Program or Open Space Management Program:
 - If the property is being sold, the owner shall compensate the Authority from the sale proceeds in an amount consistent with the self-amortizing mortgage concept set forth in the City's Land Disposition Policy;
 - If the owner is developing the property, the owner shall compensate the Authority based on the Authority's determination of the property's fair market value in an amount consistent with the self-amortizing mortgage concept set forth in the City's Land Disposition Policy;
3. After this ten (10) year period and until expiration of the restrictions as provided in the deed or Redevelopment Agreement, the Authority shall receive an administrative fee of Five Thousand Dollars (\$5,000) adjusted by a multiplier equal to the percent increase in the average settled price of single-family properties in Philadelphia County from December 2013 until the date the request is originally received from the owner. Notwithstanding, in no event will such administrative fee be less than Five Thousand Dollars (\$5,000).

This Resolution supersedes Authority Resolution No. 19,524 adopted on December 11, 2013.

FURTHER RESOLVING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution and Construction Contract necessary or desirable to carry out its purposes and intents.

Voting for the foregoing amended resolution: Ms. Fadullon, Mr. Cuorato, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.



DEVELOPMENT

Mr. Lawrence presented "Item III (a) – Selection of Redeveloper, Philabundance" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Ms. Fadullon recognized Mr. Ali and he raised a concern with regards to independent appraisals. Mr. Ali stated that other City agencies submit documentation to the City's Chief Clerk's Office and are made available to the public. Ms. Fadullon asked Mr. Harmon if appraisals can be obtained through the Right to Know Process. Mr. Harmon confirmed and Ms. Fadullon informed Mr. Ali that he could submit a Right to Know Request to the Authority to obtain an appraisal.

Mr. Ali also asked if a property is sold under a Request for Proposal ("RFP"), does this information get sent to the City's Chief Clerk's office. Mr. Ali further stated Councilman Domb sponsored a bill dealing with properties excess of \$200,000 and this information is submitted to the City's Chief Clerk's office. Mr. Ali asked if this process was the same for the Authority.

Mr. Harmon replied that redevelopment agreements do get recorded and become part of the public record when a transfer is closed. Mr. Heller stated that Mr. Ali can also submit a Right to Know Request to the Authority's Legal Department and seek documentation if a transfer has been closed.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2018-102

RESOLUTION SELECTING PHILABUNDANCE AS REDEVELOPER OF 2224-38 N. 10th STREET LOCATED IN THE NORTH PHILADELPHIA REDEVELOPMENT AREA, MODEL CITIES URBAN RENEWAL AREA AND APPROVING A SELF-AMORTIZING LOAN FOR THE DISPOSITION PRICE

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Philabundance, a Pennsylvania non-profit corporation ("Redeveloper") is hereby selected as redeveloper of 2224-38 N. 10th Street (the "Property"), located in the North Philadelphia Redevelopment Area, Model Cities Urban Renewal Area, and approval is hereby given to the Redevelopment Contract and the proposed method of disposition as most appropriate and prudent under the law and circumstances; approving a disposition price of Six Hundred Eighty Thousand Dollars (\$680,000.00); determining that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the Property in accordance with the Redeveloper's approved plans; further authorizing the execution, delivery and recording of the Redevelopment Contract and a Deed for the Property and the preparation of all other documentation necessary or desirable in order to carry out the foregoing, and to obtain the appropriate councilmanic action.

BE IT FURTHER RESOLVED, that the Redeveloper will pay One Dollar (\$1.00) cash and the Philadelphia Redevelopment Authority will provide a purchase money second lien mortgage in the amount of Six Hundred Seventy-Nine Thousand Nine Hundred Ninety-Nine Dollars (\$679,999) (the "PMM Loan") which shall have a ten (10) year term at zero percent interest and will self-amortize at an equal rate annually from years four (4) to ten (10) provided the Redeveloper remains in compliance with the terms of the PMM Loan.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Board Action

Voting for the foregoing resolution: Ms. Fadullon, Mr. Cuorato, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.



Ms. Fadullon stated for the record that Item III (b) is being tabled at this time.



Mr. Romano presented "Item III (c) – Selection of Redeveloper, Neighborhood Gardens Trust" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Ms. Fadullon asked for a further explanation as to why an Economic Opportunity Plan ("EOP") is required for this matter. Mr. Padilla replied that under the applicable City Code provision, an EOP is required; however, because this is an existing community garden and there are no new contracting opportunities, the Office of Economic Opportunity ("OEO") has agreed to approve an EOP for this project with 0% participation goals.

Mr. Heller stated that the EOP applies because the land value exceeds the \$100,000 threshold. Mr. Heller further stated that this is an existing garden.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

RESOLUTION NO. 2018-103

RESOLUTION SELECTING NEIGHBORHOOD GARDENS TRUST AS REDEVELOPER OF 1035-1037 S. SIXTH STREET AND 1028 S. FAIRHILL STREET LOCATED IN THE SOUTH CENTRAL REDEVELOPMENT AREA, SOUTH CENTRAL URBAN RENEWAL AREA

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that Neighborhood Gardens Trust is hereby selected as Redeveloper of 1035-1037 S. Sixth Street and 1028 S. Fairhill Street located in the South Central Redevelopment Area, South Central Urban Renewal Area, and approval is hereby given to the Redevelopment Contract and the proposed method of disposition as most appropriate and prudent under the law and circumstances; approving a disposition price of Three Dollars (\$3.00); determining that the Redeveloper possesses the qualifications and financial resources necessary to acquire and develop the property in accordance with the Redeveloper's approved plans; further authorizing the execution, delivery and recording of the Redevelopment Contract and a Deed for the property and the preparation of all other documentation necessary or desirable in order to carry out the foregoing, and to obtain the appropriate councilmanic action.

FURTHER RESOLVING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Mr. Cuorato, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.



ADD ON ITEMS

Mr. Harmon presented "Item IV" – Amendment to Resolution No. 2018-89, Adopted on November 14, 2018; Transfer of 11B Bond Funds to the City of Philadelphia or its Designee" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Dubow asked what the reasons were for the increase. Mr. Heller responded that at last month's meeting, the Board approved an amount of Five Hundred Thousand Dollars (\$500,000); however, that was actually the amount of the first draw, only, and that the full amount should have been One Million Five Hundred Thousand Dollars (\$1,500,000) as that is nearly the total amount of the 11B Bond Funds the Authority is holding.

Mr. Cuorato recused himself from voting because of conflict of interest.

Board Action

Ms. Fadullon called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved as follows:

**RESOLUTION NO. 2018-104
(Amending Resolution No. 2018-89, adopted November 14, 2018)**

RESOLUTION AMENDING RESOLUTION NO. 2018-89, ADOPTED NOVEMBER 14, 2018, AUTHORIZING THE APPROVAL OF A GRANT IN AN AMOUNT NOT TO EXCEED \$1,500,000 TO THE CITY OF PHILADELPHIA OR ITS DESIGNEE TO ASSIST WITH COSTS ASSOCIATED WITH THE BASIC SYSTEMS REPAIR PROGRAM

WHEREAS, Pursuant to Resolution No. 2018-89, adopted November 14, 2018, the Philadelphia Redevelopment Authority ("Authority") Board authorized a grant of funds to the City of Philadelphia or its designee (herein, the "Grantee") in an amount not to exceed Five Hundred Thousand Dollars (\$500,000) (the "Grant"), to be used in connection with the City's Basic Systems Repair Program ("BSRP");

WHEREAS, the Grantee has requested that the Authority increase the Grant amount as provided in Resolution No. 2018-89, adopted November 14, 2018;

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that authorization is hereby given to amend Resolution No. 2018-89, adopted November 14, 2018, to increase the Grant amount by One Million Dollars (\$1,000,000) such that the total Grant amount will now be One Million Five Hundred Thousand Dollars (\$1,500,000), and to enter into a grant agreement or similar agreement evidencing same.

FURTHER AUTHORIZING, the preparation, execution, and delivery of all documentation necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.

FURTHER AUTHORIZING, that the Executive Director, with the advice of General Counsel, may allow modifications to the Resolution necessary or desirable to carry out its purposes and intents.

Voting for the foregoing resolution: Ms. Fadullon, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.

One (1) abstention: Mr. Cuorato.



OLD BUSINESS

Ms. Fadullon inquired if there was any old business for the Board. Ms. Fadullon recognized Mr. Ali and invited him to speak. Mr. Ali raised a concern with regards to the 1029 AA forms that were previously on the website and have since disappeared. Mr. Jamila Davis from DHCD responded that the 1029 AA forms for the Authority are posted on DHCD website.

Next, Mr. Ali raised a concern regarding the fact that the Authority posts only Board agendas and minutes and does not post Board packages. Mr. Ali stated previously the entire board packages were posted so that the citizens of Philadelphia could review the package before the actual meeting. Mr. Heller replied that staff made the decision not to post the complete Board packages on the PRA's website because Board packages were sometimes amended after their initial posting resulting in confusion. Mr. Heller further stated that Authority is complying with the Sunshine Act and is posting the agenda with the prior month's minutes.

Mr. Ali stated that when Mayor Nutter was the Chair of the Authority's Board of Directors, he requested that complete Board packages would be posted the Friday before the actual Board meeting. This allowed the needed time for the public to review the items. Mr. Ali requested that Board to reconsider posting the entire Board packages.



NEW BUSINESS

Ms. Fadullon inquired if there was any new business for the Board. No new business was presented to the Board.



ADJOURNMENT

There being no further business to come before the Board, Ms. Fadullon declared the meeting adjourned at 4:38 P.M.

SECRETARY TO THE BOARD



BOARD FACTSHEET

Meeting of December 12, 2018
 Cooperation Agreement
 School District of Philadelphia

NAME OF DEVELOPER/APPLICANT: SCHOOL DISTRICT OF PHILADELPHIA (the "**School District**")

Nature of Transaction: Approval of a Cooperation Agreement (herein, the "**Cooperation Agreement**") between the Philadelphia Redevelopment Authority (the "**Authority**") and the School District which will authorize the Redevelopment Authority to act as agent for the School District with respect to the marketing, bidding, transfer and development, as applicable, of two (2) properties located within the Eastwick section of Philadelphia: 1) the former George Pepper Middle School ("**Pepper**") located at 2801 S. 84th Street, Philadelphia, Pennsylvania; and 2) the former Communications Technology High School ("**Comm Tech**") located at 2900 S. 81st Street, Philadelphia, Pennsylvania (herein, together, the "**School District Properties**").

COOPERATION AGREEMENT SERVICES:

The Authority will perform the following services (collectively, the "**Services**") as agent for the School District under the Cooperation Agreement:

- All due diligence necessary to bid, list and/or market the School District Properties for sale or lease including, but not limited to, all required environmental due diligence and analysis and testing, geotechnical analysis and testing, financial feasibility studies, appraisal, survey and/or title work, which may include entering into contracts with vendors or consultants on the School District's behalf;
- Issue a request for qualifications ("RFQ") and/or request for proposals ("RFP") to secure a buyer/developer to develop the School District Properties in a manner acceptable to the Authority and in accordance with the Urban Redevelopment Law and in accordance with the School District's applicable requirements and regulations regarding the disposition of land;

Item II (a)

- Manage the competitive bidding process related to said RFQ or RFP, which may include posting the offering on the Authority's website, marketing the offering, hosting a prebid meeting, fielding and answering questions relating to the RFQ and/or RFP, posting a list of interested parties on the Authority's website, amending the RFQ and/or RFP if necessary, and closing out the solicitation by receiving and processing qualified bids;
- Manage and complete a review process to select the buyer/developer for the School District Properties through the formation of a review committee. At least one-third (1/3) of the review committee will be made up School District representatives;
- Undertake all interactions and negotiations with any potential buyer/developer and enter into a sale agreement, redevelopment agreement and/or other agreement relative to the sale and/or development of the School District Properties;
- Work with such buyer/developer through the due diligence, disposition and settlement/closing process;
- Attend settlement on the disposition of the School District Properties on behalf of the School District; and
- Perform such other services which may become necessary or are requested upon the mutual agreement of the School District and the Authority.

COMMENTS OR OTHER CONDITIONS:

The School District will be responsible for payment of all costs and claims related to the Services. The School District shall pay an administrative fee to the Authority for its services in an amount equal to six percent (6.00%) of the sale or transfer price of any of the School District Properties sold or transferred by the Authority pursuant to the Cooperation Agreement.

The Cooperation Agreement has a term of one (1) year which may be extended for one (1) additional one (1) year period.

Proposed Resolution attached.

Prepared By: Ryan Harmon
Reviewed By: Gregory Heller

**BOARD FACTSHEET**

Meeting of December 12, 2018

Side Yard and Open Space Management Deed Restrictions

The Board is requested to adopt a Resolution which will deal in a uniform manner with those properties conveyed under the Authority's Side Yard Program and Open Space Management Program (OSMP). The Side Yard Program and OSMP were established in 1988 and 1998, respectively. Both programs were intended to reduce blight and maintain open space by conveying vacant properties to adjacent and nearby property owners for personal use at nominal or modest consideration, depending on parcel size. The programs deed-restricted the property for use as a side yard for periods ranging from 5 to 30 years. OSMP operated in Fishtown and New Kensington and the Side Yard Program operated in selected areas of the City.

Over the years, both programs have achieved their intended purposes. Properties have been cleaned and maintained by the new owners who have paid real estate taxes on the parcels. The characteristics of these neighborhoods have improved to the point where these open spaces can be developed into residential housing which is a more productive and beneficial use of this land.

The proposed Resolution is intended to allow development on these parcels, to prevent unjust enrichment to the owners and to bring these programs into line with the City's Land Disposition Policy. The Resolution will allow removal of the deed restrictions as follows:

1. The owner requests the Authority to remove the deed restrictions in order to facilitate the fair market sale or the development of the property.
2. For ten (10) years following conveyance by the Authority pursuant to either the Side Yard Program or Open Space Management Program:
 - If the property is being sold, the owner shall compensate the Authority from the sale proceeds in an amount consistent with the self-amortizing mortgage concept set forth in the Authority's Land Disposition Policy
 - If the owner is developing the property, the owner shall compensate the Authority based on the Authority's determination of the property's fair market value in an amount consistent with the self-amortizing mortgage concept set forth in the Authority's Land Disposition Policy

3. After this ten (10) year period and until expiration of the restrictions as provided in the deed or Redevelopment Agreement, the Authority shall receive an administrative fee of Five Thousand Dollars (\$5,000) adjusted by a multiplier equal to the percent increase in the average settled price of single-family properties in Philadelphia County from December 2013 until the date the request is originally received from the owner. Notwithstanding, in no event will such administrative fee be less than Five Thousand Dollars (\$5,000).

The proposed Resolution will supersede Authority Resolution No. 19,524 adopted on December 11, 2013.

A proposed form of Resolution is attached.

**BOARD FACTSHEET**

Meeting of December 12, 2018

Selection of Redeveloper

2224-38 N. 10th Street**NAME OF DEVELOPER/APPLICANT:** Philabundance

Nature of Transaction: Selection of Philabundance ("Redeveloper") as redeveloper proposing to develop the parcel located at 2224-38 N. 10th Street (the "Property") into the future home of the Philabundance Community Kitchen. The non-profit will develop a 20,000 SF facility to relocate the program's current operations that include culinary arts training and meal productions (the "Project").

Legal Entity/Other Partners (if applicable): N/A**Mailing Address:** 3616 Galloway Street, Philadelphia, PA 19148**PROPERTY INFORMATION:** 2224-38 N. 10th Street (the "Property")**Description:** 40,000 SF, vacant lot **Zoning:** I-2 **Use:** Institutional**Disposition Price:** \$680,000.00

The City of Philadelphia's Land Disposition Policy ("Disposition Policy"), approved by City Council on March 9, 2017, allows for discounted pricing for community development projects, so long as the land-holding agency deed restricts the property and/or provides a self-amortizing mortgage for the difference between the market value and the discounted price. In this transaction, the Authority intends to dispose the Property for Six Hundred Eighty Thousand Dollars (\$680,000). Redeveloper will pay One Dollar (\$1.00) cash and the Authority will take back a purchase money mortgage in the amount of Six Hundred Seventy-Nine Thousand Nine Hundred Ninety-Nine Dollars (\$679,999) (the "PMM Loan"). The PMM Loan will be secured by a second lien behind another mortgage, if approved, from the Authority providing funds for the construction of the Project and shall have a ten (10) year term at zero percent interest. The principal balance will self-amortize at an equal rate annually from years four (4) to ten (10). The disposition price of Six Hundred Eighty Thousand Dollars (\$680,000) was established by an independent unrestricted appraisal.

As part of the financing for the Project, if approved at a later Authority Board meeting, there will also be a Declaration of Restrictive Covenants, Restrictions and Conditions recorded against the Property which will require the Property to be used to provide culinary arts job training programs to students at least 51% of whom are low- and moderate-income persons having a family household income equal to or less than the Section 8 low-income limit established by the United States Government acting through the Department of Housing and Urban Development ("HUD").

FINANCING:

The Redeveloper will use public and private funds to purchase and develop the Property. Sources include funds from HUD's Choice Neighborhood Initiative, HUD's Community Development Block Grant, and other Commonwealth and donor funds. Redeveloper has provided documentation of available funds or reasonable ability to obtain necessary funds in an amount no less than total Project costs.

COMMENTS OR OTHER CONDITIONS:

The Redeveloper is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes. Per Chapter 17-1600 of the Philadelphia Code the Economic Opportunity Plan ranges have been set at MBE – 23%, WBE –7%.

Proposed Resolution and supporting Project information are attached (preliminary sources and uses, site map and photographs).

Prepared by: Jessie Lawrence
Reviewed by: Larry H. Padilla

**BOARD FACTSHEET**

Meeting of December 12, 2018
 Selection of Redeveloper
 65 W. Penn Street

NAME OF DEVELOPER/APPLICANT: Neighborhood Gardens Trust

Nature of Transaction: The Board is asked to authorize a resolution selecting Neighborhood Gardens Trust ("NGT") as redeveloper of 65 W. Penn Street.

Popularly known as the Penn and Greene garden, it has been operating as such for over thirty (30) years. Over the past three (3) decades, gardeners have put in a significant effort into maintaining and beautifying the property. NGT will continue to support this mission and maintain this site as an operating garden with an emphasis of distributing its produce to low income neighbors and a local food pantry.

Legal Entity/Other Partners (if applicable): Neighborhood Gardens Trust
 o Jennifer Greenberg - President

Mailing Address: 100 N. 20th Street, 5th Floor, Philadelphia, PA 19103

PROPERTY INFORMATION: 65 W. Penn Street

Description: 8,665 sq. ft., vacant lot **Zoning:** RSA-2 **Use:** Garden

Disposition Value: \$1.00

COMMENTS OR OTHER CONDITIONS:

This property has operated as an established garden for over three (3) decades, therefore meeting and exceeding the continuous operation standard of five (5) or more years in addition to establishing a satisfactory performance record involving its existing neighborhood.

The City of Philadelphia's Land Disposition Policy, approved by City Council on March 9, 2017, allows for the nominal disposition of this property with a deed restriction ensuring that its intended and continued use remains as an operational garden.

The Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes.

Per Chapter 17-1600 of the Philadelphia Code, an Economic Opportunity Plan is required for this project but there will be no participation or monitoring requirements as the property has been and will continue to be operated exclusively as a garden.

Proposed Resolution and supporting project information are attached (site map, photograph and sources and uses).

Prepared by: Brian Romano, Project Manager
 Reviewed by: Larry H Padilla, Senior Director



BOARD FACTSHEET

Meeting of December 12, 2018
Selection of Redeveloper
1035-37 S. 6th Street and 1028 S. Fairhill Street

NAME OF DEVELOPER/APPLICANT: Neighborhood Gardens Trust

Nature of Transaction: The Board is asked to authorize a resolution selecting Neighborhood Gardens Trust ("NGT") as redeveloper of 1035-37 S. 6th Street and 1028 S. Fairhill Street.

Popularly known as Marlen's Garden, it has been operating as such for over twenty (20) years. Over the past two (2) decades, gardeners have made significant investments in the improvement of this site, over time creating a well-maintained flower and vegetable garden. In recent years gardeners have installed a water line, new fencing and have developed plans to re-grade the site. Proposed improvements include the re-grading of the site and installation of new garden beds.

Legal Entity/Other Partners (if applicable): Neighborhood Gardens Trust
o Jennifer Greenberg - President

Mailing Address: 100 N. 20th Street, 5th Floor, Philadelphia, PA 19103

PROPERTY INFORMATION: 1035-37 S. 6th Street and 1028 S. Fairhill Street

Description: 2,970 sq. ft., vacant lots **Zoning:** RM-1 **Use:** Garden

Disposition Value: \$3.00

COMMENTS OR OTHER CONDITIONS:

This property has operated as an established garden for over twenty (20) years, therefore meeting and exceeding the continuous operation standard of five (5) or more years in addition to establishing a satisfactory performance record involving its existing neighborhood.

The City of Philadelphia's Land Disposition Policy, approved by City Council on March 9, 2017, allows for the nominal disposition of this property with a deed restriction ensuring that its intended and continued use remain as an operational garden.

The Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes.

Per Chapter 17-1600 of the Philadelphia Code, an Economic Opportunity Plan is required for this project but there will be no participation or monitoring requirements as the property has been and will continue to be operated exclusively as a garden.

Item III (c)

Proposed Resolution and supporting project information are attached (site map, photograph and sources and uses).

Prepared by: Brian Romano, Project Manager

Reviewed by: Larry H Padilla, Senior Director


BOARD FACTSHEET

Meeting of December 12, 2018

Amendment to Resolution No. 2018-89, adopted November 14, 2018

Approval of Grant to City of Philadelphia or its Designee

Basic Systems Repair Program

NAME OF GRANTEE: City of Philadelphia or its Designee ("Grantee")

Nature of Transaction: Pursuant to Resolution No. 2018-89, adopted November 14, 2018, the Philadelphia Redevelopment Authority ("Authority") Board authorized a grant of funds to Grantee in an amount not to exceed Five Hundred Thousand Dollars (\$500,000) (the "Grant"), to be used in connection with the City's Basic Systems Repair Program ("BSRP"). Under the BSRP, funds are used to provide repairs to correct electrical, plumbing, heating, structural and roofing emergencies in eligible owner-occupied homes in Philadelphia.

Authorization is now sought to amend Resolution No. 2018-89, adopted November 14, 2018, to increase the Grant amount by One Million Dollars (\$1,000,000) such that the total Grant amount will now be One Million Five Hundred Thousand Dollars (\$1,500,000).

COMMENTS OR OTHER CONDITIONS:

The Authority may enter into a grant agreement or other similar agreement with the City to provide the Grant. The Grant funds are comprised of 11B bond funds that are held by the Authority.

Proposed Resolution is attached.

Prepared by: Ryan Harmon
 Reviewed by: Gregory Heller