

PHILADELPHIA REDEVELOPMENT AUTHORITY

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

**BOARD MEETING
WEDNESDAY, NOVEMBER 13, 2019**

Open Session – 4:00 P.M.

A G E N D A

APPROVAL OF BOARD MINUTES

Meeting of October 16, 2019

I. EXECUTIVE DIRECTOR'S REPORT

II. ADMINISTRATIVE

- (a) Ground Maintenance Service in Eastwick Section
Christopher Bunch, Individually and Doing
Business as Paving the Way Landscaping
Amendment Agreement
- (b) Environmental Consultant Services
Brownfield's Grant and Other Environmental Services
AKRF, Inc.
Agreement for Professional Services

III. DEVELOPMENT

- (a) South Central Urban Renewal Area
1100 South Street, Including 602-06
S. 11th Street
Certificate of Completion
- (b) Mantua Urban Renewal Area
3600 Haverford Avenue Associates, LP
3601-3637 Haverford Avenue, 3603-3627 Mount
Vernon Street, 622-624 N. 36th Street and
628-634 N. 36th Street
Selection of Redeveloper

AGENDA

Board Meeting of November 13, 2019

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IV. HOUSING FINANCE

- (a) Small Landlord Loan Program
Impact Loan Fund, Inc.
Non-Revolving Line of Credit Loan

- (b) McPherson Square Pilot Program
Impact Services Corporation
Non-Revolving Line of Credit Loan

PHILADELPHIA REDEVELOPMENT AUTHORITY

BOARD MEETING MINUTES

A meeting of the Board of Directors of the Philadelphia Redevelopment Authority was held on Wednesday, October 16, 2019, commencing at 4:11 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; Rob Dubow, Treasurer; Maria Duque-Buckley, 2nd Vice Chair and Assistant Secretary; and Duane Bumb, Secretary.

The following members of the Authority staff were present: Gregory Heller, Ryan D. Harmon, Esquire, Tracy Pinson-Riviere, Brian Romano, Darci Bauer, Mark Nekoranik and Elizabeth Bonaccorso.

Also in attendance: Peilin Chen, City Finance Department; Jamila Davis, DHCD; Angel Rodriguez, PHDC; Roneece Dent, PHDC; Bradley Vassallo, PHDC; Alberta Tracy Porter, Resident; Guy Laren, Resident; Kevin Rudd, 51 Market Owner, LLC; and Vic Szwanki, KML Carpenters Local 158.

ANNOUNCEMENTS

None.



MINUTES

Ms. Fadullon called for a motion to approve the minutes of the Board meeting of September 11, 2019.

Upon motion made and duly seconded, the minutes of September 11, 2019 were approved.



EXECUTIVE DIRECTOR'S REPORT

None.



ADMINISTRATIVE

Mr. Harmon presented "Item II (a) – Amendment to Resolution No. 2019-49, Adopted on July 10, 2019" in substance consistent with the attached Fact Sheet hereto.

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. 2019-69

RESOLUTION AUTHORIZING AN AMENDMENT TO RESOLUTION NO. 2019-49, ADOPTED JULY 10, 2019, PROVIDING FOR AN AMENDMENT TO THE CONTRACT FOR PROFESSIONAL SERVICES BETWEEN THE PHILADELPHIA REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY OF PHILADELPHIA, AND IEI GROUP, LTD., REGARDING NORTH BROAD STREET, INCLUDING 1501 CALLOWHILL STREET

WHEREAS, on April 13, 2018, the Philadelphia Redevelopment Authority (the "**Authority**"), as agent for the City of Philadelphia (the "**City**"), solicited proposals from qualified firms to provide furniture, fixtures and equipment ("**FF&E**") services for the property located at 400 North Broad Street, including 1501 Callowhill Street (collectively, the "**Property**"), which is currently being developed by 400 North Broad Partners, L.P., and will be delivered as a turnkey project for the City Police Department and other City agencies to occupy.

WHEREAS, IEI Group, Ltd. ("**IEI**") submitted its response to bids, outlining their extensive experience.

WHEREAS, IEI was the lowest, qualified bidder and pursuant to Resolution No. 2018-52, adopted on July 11, 2018, the Authority Board approved a Contract for Professional Services ("**Services Contract**") between the Authority, as agent for the City, and IEI, to provide services related to the design, coordination, selection, specification, procurement and installation of FF&E at the Property.

WHEREAS, the Services Contract was executed by the parties on September 11, 2018.

WHEREAS, pursuant to Resolution No. 2019-49, adopted on July 10, 2019, the Authority Board approved an Amendment to Contract for Professional Services ("**First Amendment**") between the Authority, as agent for the City, and IEI, to provide additional FF&E (including, but not limited to, wall and corner guards, signage, metal lockers, lab equipment, fume hoods and biosafety cabinets, morgue equipment, roller shades, controlled environment rooms and lab casework) (collectively, the "**Additional FF&E**").

WHEREAS, the City has now determined that relocation coordination management services ("**Relocation Services**") is needed for the relocation of approximately 1,500 employees, from nine buildings, into the Property.

WHEREAS, the City solicited proposals from qualified firms to provide relocation services for the Property.

WHEREAS, IEI submitted its response to bids, outlining their extensive experience. IEI was the lowest, qualified bidder.

WHEREAS, IEI will receive an additional amount not to exceed Four Hundred Eighty-Two Thousand Seven Hundred Seventy-Seven Dollars (\$482,777) ("**Additional Compensation**").

WHEREAS, because the First Amendment has not yet been finalized and executed, the Board is requested to authorize an amendment to Resolution No. 2019-49, adopted on July 10, 2019, to add the Relocation Services and include the costs related thereto to the First Amendment. The modifications under Resolution No. 2019-49 and the current proposed resolution will both be incorporated into the First Amendment.

NOW THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, the authorization is hereby given to the Authority's Executive Director to amend Resolution No. 2019-49, adopted on July 10, 2019, to add the Relocation Services and include the costs related thereto to the First Amendment. For the Relocation Services, IEI shall be paid an amount not to exceed the Additional Compensation.

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 resolution: Ms. Fadullon, Mr. Cuorato, Ms. Duque-Buckley, Mr. Bumb and Mr. Dubow.



Mr. Harmon presented "Item II (b) – Contract for Professional Services between the City of Philadelphia and the Pennsylvania Horticultural Society" in substance consistent with the attached Fact Sheet hereto.

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. 2019-70

RESOLUTION AUTHORIZING A CONTRACT FOR PROFESSIONAL SERVICES BETWEEN THE REDEVELOPMENT AUTHORITY, AS AGENT FOR THE CITY, AND THE PENNSYLVANIA HORTICULTURAL SOCIETY

WHEREAS, the City of Philadelphia (the "City") and the Philadelphia Redevelopment Authority (the "Authority") are parties to a Grant Agreement wherein the Authority manages and oversees construction and improvement projects on properties owned by the City;

WHEREAS, the City has selected The Pennsylvania Horticultural Society ("PHS") and the Authority, as agent for the City, seeks authorization to enter into a Contract for Professional Services with PHS which sets forth the services to be provided to the Authority, as agent for the City, with respect to construction management and owner's representative services associated with the renovation of the 8th & Diamond Recreation Center (the "Project"), located at 2032-62 North 8th Street (the "Project Property");

WHEREAS, as part of the aforementioned services, PHS will issue bids for the renovation project on behalf of the City, PHS will monitor the construction and improvements at the Project Property, and PHS will act as the City's owner's representative relative to the construction and improvements; and

WHEREAS, the Authority has agreed, subject to Board approval, to enter into a Contract for Professional Services, as the City's agent, with PHS, for construction management and owner's representative services relative to the Project in an amount not to exceed One Hundred Dollars (\$100.00).

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority that the Redevelopment Authority, as agent for the City, is authorized to enter into a Contract for Professional Services with The Pennsylvania Horticultural Society, in an amount not to exceed One Hundred Dollars (\$100.00), for construction management and owner's representative services involving the renovation of the 8th & Diamond Recreation Center, located at 2032-62 North 8th Street.

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. Cuorato, Ms. Duque-Buckley, Mr. Bumb and Mr. Dubow.



DEVELOPMENT

Ms. Pinson-Reviere presented "Item III (a) – Selection of Redeveloper with 99 Real Estate, LLC" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Harmon advised the Board that the City's tax certification system was down immediately prior to the meeting and prior tax clearances could not be confirmed. Mr. Harmon further asked whether the Board wanted to authorize the resolution subject to receipt of current confirmation of tax compliance with the City.

Mr. Dubow motioned to amend the Resolution subject to confirmation of current tax compliance.

Board Action

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

RESOLUTION NO. 2019-71 (REVISED)

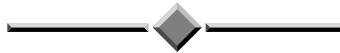
RESOLUTION SELECTING 99 REAL ESTATE, LLC AS REDEVELOPER OF 1543 N. 7TH STREET AND 1532 N. MARSHALL STREET LOCATED WITHIN THE NORTH PHILADELPHIA REDEVELOPMENT AREA AND MODEL CITIES URBAN RENEWAL AREA

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that 99 Real Estate, LLC is hereby selected as Redeveloper of 1543 N. 7th Street and 1532 N. Marshall Street, located within the North Philadelphia Redevelopment Area and 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 Two Hundred Forty Five Thousand Dollars (\$245,000); 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 authorization contained in this Resolution and subsequent disposition is contingent on confirmation that Redeveloper, 99 Real Estate, LLC, and all individual members thereof, are compliant with the City of Philadelphia Department of Revenue and have no outstanding tax obligations or unresolved violations of City of Philadelphia Licenses & Inspections codes.

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 amended resolution: Ms. Fadullon, Mr. Cuorato, Ms. Duque-Buckley, Mr. Bumb and Mr. Dubow.



Mr. Romano presented "Item III (b) – Certificate of Completion for Parcel No. 4 (34-51 E. Woodlawn Street" in substance consistent with the attached Fact Sheet hereto.

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. 2019-72

**RESOLUTION APPROVING THE ISSUANCE OF A CERTIFICATE OF COMPLETION
RE: 35-51 E. WOODLAWN STREET**

BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that in accordance with the attached Fact Sheet, the Redevelopment Agreement between the Authority and Philadelphia Authority for Industrial Development and John L. Asher, Jr. and Robert B. Asher may be certified as complete.

FURTHER AUTHORIZING, the preparation, execution, and delivery of a Certificate of Completion and all other documents 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 necessary or desirable to carry out its purposes and intents.



At this time, Ms. Fadullon recused herself and Mr. Cuorato chaired the meeting.

Mr. Romano presented "Item III (c) – Eighth Amended Redevelopment Proposal, Eight Amended Urban Renewal Plan located in Point Breeze Urban Renewal Area" in substance consistent with the attached Fact Sheet hereto.

Board Action

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

RESOLUTION NO. 2019-73

RESOLUTION APPROVING THE EIGHTH AMENDED REDEVELOPMENT PROPOSAL AND THE EIGHTH AMENDED URBAN RENEWAL PLAN FOR THE POINT BREEZE REDEVELOPMENT AREA, POINT BREEZE URBAN RENEWAL AREA

WHEREAS, approval was heretofore given by the Philadelphia City Planning Commission for the Eighth Amended Redevelopment Proposal ("Amended Proposal") and the Eighth Amended Urban Renewal Plan ("Amended Plan") for said project area, and it was confirmed that Amended Proposal and Amended Plan are consistent with the Philadelphia2035 Citywide Vision (2011) and South District Plan (2015), and subsequent amendments, and are generally consistent with the most recent Comprehensive Plan approved by the Philadelphia City Planning Commission; and

WHEREAS, the Amended Proposal and the Amended Plan are now being presented to the Board for its consideration and approval.

NOW, THEREFORE, BE IT RESOLVED, by the Philadelphia Redevelopment Authority, that approval is hereby given to the Eighth Amended Redevelopment Proposal and the Eighth Amended Urban Renewal Plan for the Point Breeze Urban Renewal Area as presented to this meeting; and further authorizing the preparation of any documentation necessary or desirable, including the preparation of an Ordinance if required, in order to carry out the foregoing.

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 Mr. Cuorato, Ms. Duque-Buckley, Mr. Bumb and Mr. Dubow.

One (1) abstention: Ms. Fadullon.



At this time Ms. Fadullon resumed chairing the meeting.

HOUSING FINANCE

Mr. Nekoranik presented "Item IV (a) – Non-Recourse Construction/Permanent Loan with 1400 Dauphin Associates, LLC" in substance consistent with the attached Fact Sheet hereto.

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. 2019-74

RESOLUTION AUTHORIZING THE AUTHORITY TO ENTER INTO A NON-RECOURSE CONSTRUCTION/PERMANENT LOAN AGREEMENT WITH 1400 DAUPHIN ASSOCIATES, LLC IN AN AMOUNT NOT TO EXCEED \$2,400,000

BE IT RESOLVED, by the Philadelphia Redevelopment Authority ("Authority"), that the Authority is authorized to enter into a non-recourse Construction/Permanent Loan Agreement with 1400 Dauphin Associates, LLC under terms and conditions as follows:

1. The Authority will provide a construction/permanent loan not to exceed Two Million Four Hundred Thousand (\$2,400,000) Dollars ("Authority Loan") with 1400 Dauphin Associates, LLC. The proceeds of the Authority Loan will be used to construct fifty-two (52) units of affordable housing for seniors aged 62 and over (the "Project"). The Project is located at 1412-26 W. Dauphin Street (the "Property"). Upon completion, the units will target households at or below 60% of Area Median Income.
2. The term of the Authority Loan will be for thirty-seven (37) years at one (1%) percent interest. During the Authority Loan term, no principal or interest will be required to be paid. The entire balance will be due and payable in thirty-seven (37) years.
3. The Authority Loan will be secured by a third lien position behind construction loan financing provided by Sterling National Bank and the Pennsylvania Housing Finance Agency's ("PHFA") Pennsylvania Housing Affordability and Rehabilitation Enhancement Funds ("PHARE"). Upon payment of the construction loan, the Authority Loan will be in a second lien position.
4. Closing on the Authority Loan will be contingent upon the following:

- i. All necessary Authority approvals from various departments.

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. Cuorato, Duque-Buckley, Mr. Bumb and Mr. Dubow.



Mr. Nekoranik presented "Item IV (b) – Non-Recourse Construction/Permanent Loan with Rose Norris Homes, LLC" in substance consisted with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Cuorato asked whether there were any issues related to the fact that PHA would be leasing the parcels to the developer. Ms. Fadullon replied that there were no particular issues with the structure. PHA will be the landholder and will be leasing the properties to Rose Norris Homes, LLC.

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. 2019-75

RESOLUTION AUTHORIZING THE AUTHORITY TO ENTER INTO A NON-RECOURSE CONSTRUCTION/PERMANENT LOAN AGREEMENT WITH ROSE NORRIS HOMES, LLC IN AN AMOUNT NOT TO EXCEED \$14,255,749

BE IT RESOLVED, by the Philadelphia Redevelopment Authority ("Authority"), that the Authority is authorized to enter into non-recourse Construction/Permanent Loan Agreement with Rose Norris Homes, LLC (the "Borrower") under terms and conditions as follows:

1. The Authority will provide a construction/permanent loan not to exceed Fourteen Million Two Hundred Fifty-Five Thousand Seven Hundred Forty-Nine Dollars

(\$14,255,749) ("Authority Loan"). The proceeds of the Authority Loan will be used to assist in the new construction of One-Hundred Eleven (111) affordable rental units and commercial space located at 1900-54 N. 10th Street (the, "Property"). Upon completion, the units will target households at or below sixty percent (60%) of Area Median Income.

2. The term of the Authority Loan will be for Forty (40) years at zero percent (0%) interest. During the Authority Loan term, no principal or interest will be required to be paid. The entire balance of the Authority Loan will be due and payable in forty (40) years.
3. The Authority Loan will be secured by a second lien position on the leasehold interest in the Properties behind the construction loan financing provided by Bank of America. Upon payment of the construction loan, the Authority Loan will remain in a second lien position behind permanent financing provided by Capital One.
4. Closing on the Authority Loan will be contingent upon the following:
 - ii. All necessary Authority approvals from various departments.
 - iii. Satisfactory tax status certification issued on all members of the development team.

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. Cuorato, Ms. Duque-Buckley, Mr. Bumb, and Mr. Dubow.



REAL ESTATE

Mr. Vassallo presented "Item V – Amending and Restating Resolution No. 2019-60, Adopted on August 14, 2019" in substance consistent with the attached Fact Sheet hereto.

Additional Comments and Discussion

Mr. Vassallo informed the Board that the City Council resolution is being introduced at tomorrow's City Council meeting.

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. 2019-76
(AMENDING AND RESTATING RESOLUTION NO. 2019-60, ADOPTED
AUGUST 14, 2019)**

**CITY OF PHILADELPHIA – DEPARTMENT OF PUBLIC PROPERTY - RESOLUTION
AUTHORIZING ACCEPTANCE OF TITLE FROM THE CITY OF PHILADELPHIA TO
VARIOUS PROPERTIES AND DISPOSITION OF SUCH PROPERTIES**

WHEREAS, certain properties have been acquired by the City of Philadelphia (the "City") and determined to be surplus to the needs of the City;

WHEREAS, the Vacant Property Review Committee ("VPRC") has recommended to the City Commissioner of Public Property that the surplus property listed below be made available for disposition in accordance with the provisions of Section 16-400 of the Philadelphia Code;

WHEREAS, the City Commissioner of Public Property has also recommended to City Council the below dispositions;

WHEREAS, the Philadelphia Land Bank ("PLB") has reviewed the proposed dispositions, have agreed with the recommendations of VPRC and the City Commissioner of Public Property;

WHEREAS, the PLB, on as agent for the City, will prepare a Purchase and Development Agreement ("PDA") against each of the below properties to be recorded prior to any conveyance;

WHEREAS, although the PDA may initially be with the PRA, the PDA will immediately be assigned by the PRA to the below Grantees at the time of conveyance;

WHEREAS, certain of the properties identified below will be conveyed for nominal consideration and others, all as identified below, will be conveyed at fair market value as determined through a competitive sale.

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Authority to accept title from the City of Philadelphia for properties listed below and for the preparation, execution, acknowledgment and delivery of a deed to the Grantee(s) herein listed conveying the properties for the consideration identified:

Addresses

Grantee

Total Bid/Cost

5107 Market Street
5109 Market Street
5111 Market Street
5113 Market Street
5121 Market Street
5123 Market Street
5125 Market Street

51 Market Owner,
LLC

\$420,000.00 (Competitive -
Request for Proposals) (for
all properties)

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. Cuorato, Ms. Duque-Buckley, Mr. Bumb and Mr. Dubow.



OLD BUSINESS

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



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 4:30 P.M.

SECRETARY TO THE BOARD



BOARD FACTSHEET
 Meeting of October 16, 2019
 Authorization to Amend Resolution No. 2019-49, Adopted July 10,
 2019
 FF&E and Relocation Services
 400 North Broad Street

BACKGROUND:

On April 13, 2018, the Philadelphia Redevelopment Authority (the "**Authority**"), as agent for the City of Philadelphia (the "**City**"), solicited proposals from qualified firms to provide furniture, fixtures and equipment ("**FF&E**") services for the property located at 400 North Broad Street, including 1501 Callowhill Street (collectively, the "**Property**"), which is currently being developed by 400 North Broad Partners, L.P., and will be delivered as a turnkey project for the City Police Department and other City agencies to occupy.

Pursuant to Resolution No. 2018-52, adopted on July 11, 2018, the Authority Board approved a Contract for Professional Services ("**Services Contract**") between the Authority, as agent for the City, and IEI Group, Ltd. ("**IEI**"), to provide services related to the design, coordination, selection, specification, procurement and installation of FF&E at the Property. The Services Contract was executed on September 11, 2018. The total compensation payable to IEI under the Services Contract was Nine Hundred Eighty-Nine Thousand Four Hundred Sixty-Nine Dollars (\$989,469). IEI has since provided an FF&E package to the City which has been approved.

Pursuant to Resolution No. 2019-49, adopted on July 10, 2019, the Authority Board approved an amendment to the Services Contract ("**First Amendment**") that provided for payment of all costs related to additional FF&E (including, but not limited to, wall and corner guards, signage, metal lockers, lab equipment, fume hoods and biosafety cabinets, morgue equipment, roller shades, controlled environment rooms and lab casework) (collectively, the "**Additional FF&E**") totaling Four Million Six Hundred Sixty-Five Thousand Seven Hundred Thirty Dollars (\$4,665,730). As a condition of purchasing, acquiring and installing the Additional FF&E, IEI will receive additional compensation in the amount not to exceed Two Hundred Thirty-Nine Thousand Eight Hundred Eighty-Nine Dollars (\$239,889).

NATURE OF AMENDMENT:

The City has now determined that relocation coordination management services ("**Relocation Services**") is needed for the relocation of approximately 1,500 employees, from nine buildings, into the Property. The City solicited and has approved IEI to manage the Relocation Services. IEI will receive additional compensation in the amount not to exceed Four Hundred Eighty-Two Thousand Seven Hundred Seventy-Seven Dollars (\$482,777)

Because the First Amendment has not yet been finalized and executed, the Board is requested to authorize an amendment to Resolution No. 2019-49, adopted on July 10, 2019, to add the Relocation Services and include the costs related thereto. The modifications under Resolution No. 2019-49 and the current proposed resolution will both be incorporated into the First Amendment.

BACKGROUND/FINANCING:

The project will be funded with City Capital funds as outlined in the executed Subgrant Agreement between the PRA, the City and the Philadelphia Authority for Industrial Development ("PAID"). The Agreement allows for funds to be transferred to the Authority for various capital improvement projects.

A Proposed Resolution is attached.

Prepared By: Robert Labrum

Reviewed By: Ryan Harmon, Esq.



BOARD FACTSHEET

Board Meeting of October 16, 2019
Contract for Professional Services
8th & Diamond Recreation Center
The Pennsylvania Horticultural Society

NAME OF APPLICANT: The Pennsylvania Horticultural Society ("PHS")

NATURE OF TRANSACTION:

The City of Philadelphia (the "City") and the Philadelphia Redevelopment Authority (the "Authority") are parties to a Grant Agreement wherein the Authority manages and oversees construction and improvement projects on properties owned by the City.

The City has selected PHS and the Authority, as agent for the City, seeks authorization to enter into a Contract for Professional Services with PHS which sets forth the services to be provided to the Authority, as agent for the City, with respect to construction management and owner's representative services associated with the renovation of the 8th & Diamond Recreation Center, located at 2032-62 North 8th Street (the "Project Property"). As part of the aforementioned services, PHS will issue bids for the renovation project on behalf of the City, PHS will monitor the construction and improvements at the Project Property, and PHS will act as the City's owner's representative relative to the construction and improvements.

CONTRACT FOR PROFESSIONAL SERVICES TERMS AND CONDITIONS:

The term of the Contract for Professional Services is three (3) years, which term may be extended at the sole discretion of the Authority.

All costs incurred/expended by the Authority under the Contract for Professional Services will be paid by the City.

Contract Amount: Not to exceed One Hundred Dollars (\$100.00)

Proposed Resolution is attached.

Prepared by: Ryan Harmon

**BOARD FACTSHEET**

Meeting of October 16, 2019

Selection of Redeveloper

1532 N. Marshall Street and 1543 N. 7th Street**NAME OF DEVELOPER/APPLICANT:** 99 Real Estate, LLC

Nature of Transaction: Selection of developer to construct auxiliary parking for employees of the adjacent adult day care center owned by 99 Real Estate, LLC within the Model Cities Urban Renewal Area.

Legal Entity/Other Partners (if applicable):

- Xin S. Liu – Management Member

Mailing Address: 1533 N. 7th Street, Philadelphia, PA 19122

PROPERTY INFORMATION: 1532 N. Marshall Street
1543 N. 7th Street

Description: 1532 N. Marshall Street - 2,000 sq. ft., vacant lot
1543 N. 7th Street – 1,348 sq. ft., vacant lot

Zoning: RSA-5**Use:** Residential**Disposition Value:** \$245,000.00

Price was established by an independent appraisal. The sale of the property is being handled as a direct sale to the applicant per the property reservation letter that was issued prior to the change in the disposition policy.

FINANCING:

The developer is purchasing the property listed above; documentation of available funds in an amount no less than the total project cost has been provided, see attached outline of sources and uses.

COMMENTS OR OTHER CONDITIONS:

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, the Economic Opportunity Plan ranges have been set at MBE – 30%, WBE – 6%.

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

Prepared by: Tracy Pinson-Reviere, Project Manager II

Reviewed by: Angel Rodriguez



BOARD FACTSHEET

Meeting of October 16, 2019

Certificate of Completion

Parcel No. 4 - 35-51 E. Woodlawn Street

NAME OF DEVELOPER/APPLICANT: Philadelphia Authority for Industrial Development ("PAID")

NATURE OF TRANSACTION: The Board is asked to approve a Resolution authorizing the issuance of a Certificate of Completion for 35-51 E. Woodlawn Street (the "Property").

BACKGROUND: Per Resolution No. 13,399, adopted June 21, 1988, the Redevelopment Authority entered into a Redevelopment Agreement with Robert B. Asher and John L. Asher to develop this site as a parking lot and loading area for Asher's candy factory for the price of Forty Six Thousand Dollars (\$46,000). Per Resolution No. 13,351, adopted on February 28, 1989, the Board approved the transfer of the Property to PAID since Robert and John Asher obtained financing for this project through PAID.

- Per deed dated May 3, 1989, the Philadelphia Redevelopment Authority conveyed the property to PAID.
- Per deed dated April 22, 1997, PAID conveyed the property to John and Robert Asher.
- Per deed dated May 14, 1999, John and Robert Asher conveyed the property to Philadelphia Suburban Development Corporation.

This property was developed into a parking lot and loading area and the Board is being asked to authorize the issuance of a certificate of completion.

Proposed Resolution and supporting information are attached (site map and photographs).

Prepared by: Brian Romano
 Reviewed by: Angel Rodriguez



BOARD FACTSHEET

Meeting of October 16, 2019

Point Breeze Urban Renewal Area

Eighth Amended Redevelopment Proposal

Eighth Amended Urban Renewal Plan

Nature of Transaction: Resolution authorizing the approval of the Eighth Amended Redevelopment Proposal ("Amended Proposal") and the Eighth Amended Urban Renewal Plan ("Amended Plan") for the Point Breeze Redevelopment Area, Point Breeze Urban Renewal Area. The Amended Proposal and Amended Plan authorize residential use at the parcels located at 1324-32 S. Capital Street.

DESCRIPTION:

The Philadelphia City Planning Commission has determined that the Amended Proposal and Amended Plan are consistent with the Philadelphia2035 Citywide Vision (2011) and the South District Plan (2015). The Philadelphia City Planning Commission has also determined that the Amended Proposal and Amended Plan are generally consistent with the most recent Comprehensive Plan approved by the Philadelphia City Planning Commission.

The current comprehensive plan identifies forward thinking goals and strategies for achieving new and appropriate development within the city and will direct the redevelopment of the Point Breeze Urban Renewal area by zoning code controls and guidelines as detailed by the Philadelphia City Planning Commission.

Proposed Resolution and supporting information are attached (site map).

Prepared by: Brian Romano, Project Manager

Reviewed by: Angel Rodriguez


BOARD FACTSHEET

Meeting of October 16, 2019

Non-Recourse Construction/Permanent Loan

1412-26 W. Dauphin Street

NAME OF SPONSOR/DEVELOPER: Maze Group Development, Inc.

Nature of Transaction: Authorization for the Philadelphia Redevelopment Authority (the "Authority") to enter into a non-recourse construction/permanent loan agreement with 1400 Dauphin Associates LLC ("Borrower") in an amount not to exceed Two Million Four Hundred Thousand Dollars (\$2,400,000) ("Authority Loan"). The proceeds of the Authority Loan will be used to assist in the new construction of fifty-two (52) affordable rental units of which fifteen (15) are designated HOME units (the "Project"). The Project is located at 1412-26 W. Dauphin Street (the "Property").

Legal Entity: 1400 Dauphin Associates, LLC

PROJECT INFORMATION: Dauphin House

Address: 1412-26 W. Dauphin Street

Total Development Cost: \$14,477,200

Total Construction Cost: \$10,331,026

PRA Financing: \$2,400,000 HOME Funds

FINANCING:

The Authority Loan will be structured with a term of thirty-seven (37) years at one (1%) percent interest. During the term of the Authority Loan, no principal or interest will be required to be paid. The entire balance of the Authority Loan will be due and payable in thirty-seven (37) years. The Authority Loan will be secured by a third lien position behind the construction loan financing provided by Sterling National Bank and the Pennsylvania Housing Finance Agency's ("PHFA") Pennsylvania Housing Affordability and Rehabilitation Enhancement Funds ("PHARE"). Upon payment of the construction loan, the Authority Loan will be in a second lien position.

COMMENTS OR OTHER CONDITIONS:

The City of Philadelphia (the "City") provided an additional commitment of Four Hundred Thousand Dollars (\$400,000) with the caveat that the City receives written verification that Maze Group Development, Inc. has applied to all applicable Federal Home Loan Bank ("FHLB") sources and if successful in securing FHLB funds, the City will require a one for one replacement of its additional funding until such time as all Four Hundred (\$400,000) is returned to the City.

The City has approved the Economic Opportunity Plan for this Project. The Development Team has no outstanding tax issues. The Authority Housing Construction Department has approved the plans, specification, and construction costs for the Project. The City Planning Commission has issued an environmental clearance.

Proposed Resolution is attached

Prepared by: Mark A. Nekoranic, Senior Housing Development Officer
Reviewed by: Darci Bauer, Director of Housing Finance

**BOARD FACTSHEET**

Meeting of October 16, 2019

Non-Recourse Construction/Permanent Loan

1900-54 N. 10th Street**NAME OF SPONSOR/DEVELOPER:** Rose Companies Holdings, LLC

Nature of Transaction: Authorization for the Authority to enter into a non-recourse construction permanent loan agreement with Rose Norris Homes, LLC (the "Borrower") in an amount not to exceed Fourteen Million Two Hundred Fifty-Five Thousand Seven Hundred Forty-Nine Dollars (\$14,255,749) (the "Authority Loan"). Norris Homes Phase V will consist of One Hundred Thirty-Three (133) newly constructed rental units of which One Hundred Eleven (111) rental units will be affordable (the "Affordable Units") and 2200 square feet of commercial space (the "Project"). The Project is located at 1900-54 N. 10th Street (the "Properties").

The proceeds of the Authority Loan will be used to assist in the new construction of the Affordable Units and the commercial space. The Affordable Units will be available for residents with an income at or below sixty percent (60%) of Area Median Income. The Philadelphia Housing Authority is the owner of the Project site and will lease the Properties to the Borrower pursuant to a Ninety-Nine (99)-year ground lease.

BORROWER: Rose Norris Homes, LLC**PROJECT INFORMATION:** Norris Homes Phase VAddress: 1900-54 N. 10th Street

Total Development Cost: \$51,144,906

Total Construction Cost: \$37,898,004

PRA Financing: \$14,255,749

FINANCING:

The Authority will be structured with a term of Forty (40) years at zero percent (0%) interest. During the Authority Loan term, no principal or interest will be required to be paid. The entire balance will be due and payable in forty (40) years. The Authority Loan will be secured by a second lien position on the leasehold interest in the Properties behind the construction loan financing provided by Bank of America. Upon payment of the construction loan, the Authority Loan will remain in a second lien position behind the permanent financing provided by Capital One.

COMMENTS OR OTHER CONDITIONS:

The City of Philadelphia (the "City") has approved the Economic Opportunity Plan for this Project. The Authority Housing Construction Department has approved the plans, specification, and construction costs for the Project. The City Planning Commission has issued an environmental clearance.

The Authority Loan closing will be contingent upon the development team having no outstanding tax issues.

Proposed Resolution is attached

Prepared by: Mark A. Nekoranik, Senior Housing Development Officer

Reviewed by: Darci Bauer, Director Housing Finance



BOARD FACTSHEET

Meeting of September 16, 2019

Amending and Restating Resolution No. 2019-60, Adopted

October 16, 2019

City of Philadelphia – Department of Public Property

Nature of Transaction: The Philadelphia Redevelopment Authority ("PRA") will facilitate the conveyance of title from the City to identified Grantees listed below.

- The Vacant Property Review Committee ("VPRC") serves as an advisory committee and recommends to the City of Philadelphia ("City") Commissioner of Public Property what City surplus properties should be made available for disposition in accordance with Chapter 16-400 of the City Code.
- Properties and Grantees listed below were recommended by the VPRC to the City Commissioner of Public Property for disposition.
- The City Commissioner of Public Property has also recommended to City Council the below dispositions.
- A Resolution authorizing the below dispositions by the PRA was approved by City Council (Resolution No. 190138).
- Pursuant to a Memorandum of Understanding between the City and the Philadelphia Land Bank ("PLB") dated April 8, 2019, the PLB has reviewed the proposed dispositions, have agreed with the recommendations of VPRC and the City Commissioner of Public Property.
- The PLB, on as agent for the City, will prepare a Purchase and Development Agreement ("PDA") against each of the below properties to be recorded prior to any conveyance. Although the PDA may initially be with the PRA, the PDA will immediately be assigned by the PRA to the below Grantees at the time of conveyance.
- The conveyance of these properties to the Grantees for reuse will relieve the City of the care, maintenance and management of the properties and help arrest blight in the neighborhoods and restore the properties to productive use.

- This Board package and proposed Resolution amends and restates Resolution No. 2019-60, Adopted August 14, 2019.

PROPERTY INFORMATION:

- 1) Fair Market Disposition:** The following seven (7) properties will be conveyed at fair market value as established through a competitive Request for Proposals issued by the PLB:

<u>Addresses</u>	<u>Grantee</u>	<u>Total Bid/Cost</u>
5107 Market Street	51 Market Owner, LLC	\$420,000.00 (Competitive - Request for Proposals) (for all properties)
5109 Market Street		
5111 Market Street		
5113 Market Street		
5121 Market Street		
5123 Market Street		
5125 Market Street		