

**PHILADELPHIA REDEVELOPMENT AUTHORITY**

**1234 MARKET STREET, 16<sup>TH</sup> FLOOR  
PHILADELPHIA, PA 19107**

**BOARD MEETING  
WEDNESDAY, JULY 10, 2019**

**Open Session – 4:00 P.M.**

**A G E N D A**

**APPROVAL OF BOARD MINUTES**

- (a) Meeting of June 12, 2019

**I. EXECUTIVE DIRECTOR'S REPORT**

**II. ADMINISTRATIVE**

- (a) 400 North Broad Street  
IEI Group, Ltd.  
Furniture, Fixtures and Equipment Service  
**Amendment to Professional Services Agreement**
- (b) Sandler & Marchesini, P.C.  
**Amendment to Legal Services Contract**

**III. HOUSING FINANCE**

Susquehanna Square  
Community Ventures  
1600 Diamond Street, 2137-2161  
N. 15<sup>th</sup> Street and 2116-2124 N. 16<sup>th</sup>  
Street  
**Non-Recourse Construction/Permanent Loan  
Agreement**

# PHILADELPHIA REDEVELOPMENT AUTHORITY

## BOARD MEETING MINUTES

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A meeting of the Board of Directors of the Philadelphia Redevelopment Authority was held on Wednesday, June 12, 2019, commencing at 4:21 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, Darci Bauer, Zoe Linder-Baptie, Zena Holland, Ali Mooney, Jane Allen, Karanja Slaughter, Danielle Deuber, Veronica Freeman, Joseph Tedesco, Marceline Mills, Tracy Pinson-Reviere, Irma Gonzalez-Bowie, Brian Romano, Latesha Moore and Elizabeth Bonaccorso.

Also in attendance: Angel Rodriguez, Philadelphia Land Bank ("PLB"); Guy Laren, Kalidave, LP; Marie Shorr, Kalidave, LP; Bob Borghese, Kalidave, LP; David Grasso, Grasso Holdings; Jeff Kurtz, Grasso Holdings; Bradley Vassallo; PLB; Roneece Dent, PLB; Alia Hatch, Department of Public Property; Earl Hunte, Citizen; Jacqueline Dunn, City Finance Department and Jamila Davis, Division of Housing and Community Development.

### ANNOUNCEMENTS

None.



### MINUTES

Ms. Fadullon called for a motion to approve the minutes of the Board meeting of May 08, 2019.

Upon motion made and duly seconded, the minutes of May 08, 2019 were approved.



## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Heller welcomed Joseph Rowland as a new laborer on the Authority's construction staff. The Authority continues to perform an increasing volume of capital projects work for Department of Public Property, Parks & Recreation and Rebuild.

Next, Mr. Heller stated that there are several groundbreakings/ribbon cuttings which have occurred or are scheduled to occur. The first groundbreaking took place on May 14, 2019, as Conifer Realty broke ground on GALA Senior Apartments. The Authority provided financing for this project for this fifty (50) unit affordable project. Also on May 14, 2019, Project HOME had a ribbon cutting for Gloria Casarez Residence. The Authority provided financing for this forty (40) unit affordable project. On May 31, 2019, Liberty Housing Development Corporation broke ground on Steve Gold Community Apartments. The Authority provided land and financing for this twenty-four (24) unit project.

Finally, Mr. Heller stated that the Authority has issued Requests for Proposals ("RFP") for the following projects: (i) for financial institutions to administer a Small Landlord Loan Program - the responses are due June 17, 2019; (ii) the Authority, Philadelphia Housing Development Corporation ("PHDC"), and PLB have an RFP out audit services - responses are due June 21, 2019; and (iii) a competitive bid for the redevelopment of 3230-38 Diamond Street - the responses are due June 24, 2019.



## **ADMINISTRATIVE**

**Mr. Harmon presented "Item II (a) – Conveyance of PRA Properties to Philadelphia Land Bank" 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. 2019-42**

#### **PHILADELPHIA LAND BANK – RESOLUTION AUTHORIZING THE CONVEYANCE OF CERTAIN PROPERTIES OWNED BY THE PHILADELPHIA REDEVELOPMENT AUTHORITY TO THE PHILADELPHIA LAND BANK**

**WHEREAS, Act 153 of 2012, 68 Pa. C.S.A. § 2101, *et seq.* (the "Land Bank Act") authorized the City of Philadelphia ("City") to create a land bank in accordance with the Land Bank Act; and**

**WHEREAS**, the City, in Bill No. 130156-A (approved December 18, 2013), authorized the creation of the Philadelphia Land Bank and provided for its appointment, powers and duties; and

**WHEREAS**, under Section 2109 of Land Bank Act, 68 Pa. C.S.A. § 2109(d)(3), a redevelopment authority, with the consent of the local governing body and without a redevelopment contract, may convey title to certain redevelopment authority property to a land bank; and

**WHEREAS**, the properties identified on Exhibit "A" to this Resolution which are owned by the Philadelphia Redevelopment Authority qualify for transfer from the Philadelphia Redevelopment Authority to the Philadelphia Land Bank as provided by Section 2109 of the Land Bank Act; and

**WHEREAS**, the transfer of the properties identified on Exhibit "A" to this Resolution to the Philadelphia Land Bank will promote the public purposes for which the City created the Philadelphia Land Bank;

**NOW THEREFORE, BE IT RESOLVED** by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Philadelphia Redevelopment Authority to convey title to those properties identified on Exhibit "A" hereto, to the Philadelphia Land Bank, and for the preparation, execution, acknowledgment and delivery of deeds to the Philadelphia Land Bank, without consideration, pursuant to Section 2109 of Land Bank Act, 68 Pa. C.S.A. § 2109(d)(3), and to obtain the appropriate councilmanic action.

**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.

#### **EXHIBIT "A"**

#### **Properties Owned by Philadelphia Redevelopment Authority to be Transferred to Philadelphia Land Bank**

#### **5<sup>th</sup> Councilmanic District Properties**

2500 N. 31<sup>st</sup> Street  
2401 N. 32<sup>nd</sup> Street  
2549 ½ N. 32<sup>nd</sup> Street  
2401 N. 33<sup>rd</sup> Street

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



Ms. Fadullon stated that "Item II (b) – Revision to the Percent for Art Program Policy and Authorization to Transfer Management and Control of Percent for Art Program to Philadelphia Housing Development Corporation" has been tabled at this time.



### **DEVELOPMENT**

**Ms. Linder-Baptie presented "Item III – Modification to Resolution No. 2018-06 to CRP/GO Ridge Flats Owner, L.L.C." in substance consistent with the attached Fact Sheet hereto.**

#### ***Additional Comments and Discussion***

Ms. Linder-Baptie informed the Board that David Grasso and Jeff Kurtz are present at today's meeting if the Board has any questions.

Ms. Fadullon asked if the developer is assembling the design plan and drawings. Mr. Grasso replied yes. Ms. Fadullon then asked when the redeveloper would be applying for the proper building permits. Mr. Kurtz responded that expected to file for all building permits by October, 2019.

#### **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. 2019-43 (Amending Resolution No. 2018-06, Adopted on January 10, 2018)**

**MODIFICATION TO RESOLUTION NO. 2018-06, ADOPTED ON JANUARY 10, 2018, AUTHORIZING AN FOURTH AMENDMENT TO REDEVELOPMENT AGREEMENT WITH CRP/GO RIDGE FLATS OWNER, L.L.C., APPROVING REVISED PLANS AND EXTENDING CONSTRUCTION COMMENCEMENT AND COMPLETION DATES REGARDING THE DEVELOPMENT OF THE PROPERTIES LOCATED AT 4300-12 RIDGE AVENUE AND 4314-26 RIDGE AVENUE**

**WHEREAS**, Pursuant to Resolution No. 2014-23, adopted March 14, 2014, CRP/GO Ridge Flats Owner, L.L.C ("Developer") was approved as Developer of 4300-12 Ridge Avenue and 4314-26 Ridge Avenue (collectively, the "Property"); and

**WHEREAS**, Developer and the Authority executed a Development Agreement dated June 4, 2014 ("Development Agreement") for the Property; and

**WHEREAS**, on June 4, 2014, the Authority and Developer executed a First Amendment to Development Agreement which extended the date of settlement from June 13, 2014, to September 11, 2014; and

**WHEREAS**, on September 10, 2014, the Authority and Developer executed a Second Amendment to Development Agreement which extended the date for settlement from September 11, 2014, to December 11, 2014; and

**WHEREAS**, pursuant to Resolution No. 2015-133, adopted on November 15, 2015, the Authority and Developer executed a Third Amendment to Development Agreement which included revised plans and provided extensions of the construction commencement and completion dates; and

**WHEREAS**, pursuant to Resolution No. 2018-06, adopted on January 10, 2018, the Board authorized and Authority staff drafted a Fourth Amendment to Development Agreement which was to include revised plans and to provide extensions of the construction commencement and completion dates; and

**WHEREAS**, the Fourth Amendment to Development Agreement providing for the modifications included in the 2018 Resolution was never executed as additional modifications to the plans were since made; and

**WHEREAS**, approval is requested today to amend Resolution No. 2018-06, adopted January 10, 2018, to include revised schematic plans and to again extend the construction commencement and completion dates; and

**WHEREAS**, the revised schematic plans include the following modifications:

1. Building height (to top of parapet) increased from 61'-8" to 68'-9";
2. Total unit count increased from 125 to 142;
3. Ground floor retail increased from approximately 10,500 to 10,872;
4. Exterior materials remain architectural panels as shown in previous plans, however the color and pattern are slightly different; and

**WHEREAS**, the Authority has carefully considered this request and the factors giving rise thereto.

**NOW THEREFORE, BE IT RESOLVED**, by the Philadelphia Redevelopment Authority, that the Authority is authorized to enter into a Fourth Amendment to Redevelopment Agreement

with CRP/GO Ridge Flats Owner, L.L.C., for the development of 4300-12 Ridge Avenue and 4314-26 Ridge Avenue (collectively, the "Property"), to provide the following:

1. Approval of revised plans for the Property;
2. Extension of the construction start date to February 13, 2020;
3. Extension of the construction completion date to August 13, 2022; and
4. Per the Authority's Services Fee Schedule, approval of this resolution is contingent on receipt of an administrative fee in the amount of Seven Thousand Five Hundred Dollars (\$7,500.00), which represents 1% of the acquisition cost.

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



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

### **HOUSING FINANCE**

**Ms. Holland presented "Item IV (a) – Non-Recourse Construction/Permanent Loan Agreement with Women's Community Revitalization Project" in substance consistent with the attached Fact Sheet hereto.**

#### **Additional Comments and Discussion**

Ms. Fadullon abstained due to a conflict of interest.

#### **Board Action**

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

**RESOLUTION NO. 2019-44**

**RESOLUTION AUTHORIZING THE AUTHORITY TO ENTER INTO A NON-RECOURSE CONSTRUCTION/PERMANENT LOAN AGREEMENT WITH NICOLE HINES LIMITED PARTNERSHIP IN AN AMOUNT NOT TO EXCEED \$1,979,495.**

**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 Nicole Hines Limited Partnership ("NH LP"), under terms and conditions as follows:

1. The Authority will provide a construction/permanent loan to NH LP in an amount not to exceed One Million Nine Hundred Seventy-Nine Thousand Four Hundred Ninety-Five Dollars (\$1,979,495) (the "Authority Loan"). The proceeds of the Authority Loan will be used to construct thirty-five (35) units of affordable rental housing located at 417, 423, 431, 443, 445 and 445-Rear E. Wister Street and 5120 Rufe Street (the "Properties"). Upon completion, the units will target families with income at or below 60% of Area Median Income.
2. The term of the Authority Loan will be for forty (40) years at one percent (1%) 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 on the Properties behind the Pennsylvania Housing Finance Agency's Pennsylvania Housing Affordability and Rehabilitation Enhancement Funds funding.
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: Mr. Cuorato, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.

One Abstention: Ms. Fadullon.





**Ms. Mooney presented "Item IV (b) – Non-Recourse Construction/Permanent Loan Agreement and Modification of Authority Loan" 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. 2019-45**

**RESOLUTION AUTHORIZING THE AUTHORITY TO ENTER INTO A NON-RECOURSE CONSTRUCTION/PERMANENT LOAN AGREEMENT AND MODIFY EXISTING FINANCING WITH REFUGIO DE AMOR, L.P.**

**WHEREAS**, in 1997, the Philadelphia Redevelopment Authority ("Authority") provided financing to Refugio de Amor, L.P., a Pennsylvania limited partnership ("Borrower"), created by Asociacion Puertorriquenos en Marcha, Inc. ("APM"), in the amount of Three Hundred Sixty-Four Thousand Dollars (\$364,000) ("Authority Loan"); and

**WHEREAS**, the proceeds of the Authority Loan along with the sale of low-income housing tax credits were utilized for the new construction of Hogar de Esperanza, a twenty (20) unit special needs housing development for occupancy by persons at or below eighty (80%) percent of area median income (the "Project") located at 2203-31, 2237, 2243-51 Germantown Avenue, 2202-04 N. Sixth Street and 2226-66 Cadwallader Avenue, now known as 2203-31 Germantown Avenue (the "Property"); and

**WHEREAS**, the Authority Loan has a forty (40) year term at zero percent (0%) interest with payments starting in year twenty-six (26) until fully amortized by the fortieth (40<sup>th</sup>) anniversary; and

**WHEREAS**, the Authority Loan is evidenced by a note payable to the Authority and secured by a mortgage on the Property; and

**WHEREAS**, APM has developed a preservation plan for the Project that includes improvements to the Property, which will be partially funded with financing from the Authority in an amount not to exceed Five Hundred Sixty-Five Thousand Six Hundred and Forty-Five Dollars (\$565,645) ("New Financing"); and

**WHEREAS**, the Authority, if authorized, intends to enter into a loan agreement for the New Financing at zero percent (0%) interest due and payable in thirty (30) years and modify the terms of the Authority Loan to be due and payable thirty (30) years from closing on the New Financing.

**NOW THEREFORE, BE IT RESOLVED**, by the Philadelphia Redevelopment Authority ("Authority"), that the Authority is authorized take the following actions with regards to the Project:

1. Authorize the Authority to enter into a non-recourse construction/ permanent loan agreement with the Borrower for an amount not to exceed Five Hundred Sixty-Five Thousand Six Hundred and Forty-Five Dollars (\$565,645) ("New Financing"). The term of the New Financing will be for thirty (30) years at zero percent (0%) interest. During the term of the New Financing, no principal or interest will be required to be paid. The entire balance will be due and payable thirty (30) years from closing.
2. Modify the terms of the Authority Loan to be due and payable thirty (30) years from closing on the New Financing.

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



## **REAL ESTATE**

**Mr. Harmon presented "Item V – Conveyance of Properties" in substance consistent with the attached Fact Sheet hereto.**

### *Additional Comments and Discussion*

At this time, Mr. Vassallo from the PLB distributed a revised development Fact Sheet to the Board members.

Ms. Fadullon asked how many applicants submitted an Expression of Interest ("EOI") for these properties. Mr. Vassallo replied that there was a total of three (3) applicants. Next, Ms. Fadullon asked if there was an Economic Opportunity Plan ("EOP"). Mr. Vassallo replied that an EOP is required to be finalized and executed prior to any transfer.

Mr. Cuorato asked if an appraisal was performed. Mr. Rodriguez responded that an appraisal was not done.

Mr. Vassallo stated that the project team is in attendance.

Mr. Cuorato stated that his main concern is whether the purchase price is fair, based on the fact that there was no appraisal done. Ms. Fadullon stated that this was a competitive bid put out by the PLB on behalf of the Department of Public Property ("DPP") and believes that DPP's interpretation of fair market value is the price established through a competitive bid process.

Mr. Cuorato for the record stated that he is opposed to this action.

### **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. 2019-46**

#### **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 will 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:

<u>Addresses</u>	<u>Grantee</u>	<u>Total Bid/Cost</u>
5107 Market Street 5109 Market Street 5111 Market Street 5113 Market Street 5121 Market Street 5123 Market Street 5125 Market Street	Kalidave Limited Partnership	\$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. Bumb, Ms. Duque-Buckley and Mr. Dubow.

Opposed: Mr. Cuorato.



**ADD ON ITEMS**

**Mr. Harmon presented "Item VI (a) – Conveyance of Properties" in substance consistent with the attached Fact Sheet hereto.**

***Additional Comments and Discussion***

Mr. Harmon informed the Board Members that today's action by the Board would authorize the transfer of properties into the Authority's inventory.

**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. 2019-47**

**CITY OF PHILADELPHIA – DEPARTMENT OF PUBLIC PROPERTY - RESOLUTION AUTHORIZING ACCEPTANCE OF TITLE FROM THE CITY OF PHILADELPHIA TO VARIOUS 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 and a Resolution authorizing the below dispositions was approved by City Council (Resolution No. 190324);

**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;

**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, without consideration:

<u>Addresses</u>	<u>Grantee</u>	<u>Total Cost</u>
637 North 40th Street	Philadelphia Redevelopment	\$0.00
644-46 North 40th Street	Authority	
718 North 40th Street		
744 North 40th Street		
809 North 40th Street		
827 North 40th Street		
830 North 40th Street		
838 North 40th Street		
843 North 40th Street		
847 North 40th Street		
849 North 40th Street		
851 North 40th Street		
865 North 40th Street		
867 North 40th Street		
822 Sloan 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, Mr. Bumb, Ms. Duque-Buckley and Mr. Dubow.



**Mr. Harmon presented "Item VI (b) – Conveyance of Properties from Philadelphia Land Bank" 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. 2019-48**

**RESOLUTION AUTHORIZING THE ACCEPTANCE OF TITLE TO VARIOUS PROPERTIES FROM THE PHILADELPHIA LAND BANK**

**WHEREAS**, Act 153 of 2012, 68 Pa. C.S.A. § 2101, *et seq.* (the "Land Bank Act") authorized the City of Philadelphia ("City") to create a land bank in accordance with the Land Bank Act; and

**WHEREAS**, the City, in Bill No. 130156-A (approved December 18, 2013), authorized the creation of the Philadelphia Land Bank and provided for its appointment, powers and duties; and

**WHEREAS**, Chapter 16-700 of The Philadelphia Code and the Land Bank Act authorizes the Philadelphia Land Bank to convey real property to the Philadelphia Redevelopment Authority, without consideration; and

**WHEREAS**, pursuant to City Council Resolution No. 190387, adopted on May 16, 2019 (with respect to the 3rd Councilmanic District Office), the City has authorized transfer the Philadelphia Land Bank properties identified on Exhibit "A" to this Resolution to the Philadelphia Redevelopment Authority;

**NOW THEREFORE, BE IT RESOLVED** by the Philadelphia Redevelopment Authority, that authorization is hereby given to the Philadelphia Redevelopment Authority to accept title from the Philadelphia Land Bank to those properties identified on Exhibit "A," hereto, and for the conveyance and preparation, execution, acknowledgment and delivery of

deeds to the Philadelphia Redevelopment Authority, without consideration, pursuant to Chapter 16-700 of The Philadelphia Code.

**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.

### **EXHIBIT "A"**

#### **Properties Owned by the Philadelphia Land Bank to be Conveyed to the Philadelphia Redevelopment Authority**

##### **3rd Councilmanic District Properties**

805 N. 40th Street  
818 N. 40th Street

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



##### **NEW BUSINESS**

Ms. Fadullon inquired if there was any new business for the Board. Ms. Fadullon recognized Ms. Pinson-Reviere. Ms. Pinson-Reviere stated she is representing Local 1971. Ms. Pinson-Reviere voiced her concerns, on behalf of Local 1971, regarding the altering of Authority staff paycheck dates to match up with the Philadelphia Housing Development Corporation's ("PHDC") staff paycheck dates as a result of the consolidation/merger of the Authority and PHDC. Ms. Pinson-Reviere stated that she believes this will cause a significant hardship for staff members who rely on paychecks being issued as currently scheduled.

Ms. Fadullon thanked Ms. Pinson-Reviere for her comments and asked if anyone else would like to speak with regards to this matter. Ms. Holland addressed the Board and stated that she has been a union member for the past twenty-three (23) years and that the proposed paycheck date modification was disrespectful to staff and that the method in which staff was advised of this change was unacceptable.

At this time, Ms. Buckley left the meeting due to a prior scheduled engagement.

Ms. Fadullon thanked Ms. Holland for her comments and stated that Authority management would discuss these concerns.



**OLD BUSINESS**

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



**ADJOURNMENT**

There being no further business to come before the Board, Ms. Fadullon declared the meeting adjourned at 4:50 P.M.

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SECRETARY TO THE BOARD





**BOARD FACTSHEET**

Meeting of June 12, 2019

Conveyance of PRA Properties to Philadelphia Land Bank

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**Nature of Transaction:** The Philadelphia Redevelopment Authority (the "PRA") will facilitate the conveyance of title of properties owned by the PRA to the Philadelphia Land Bank.

- The conveyance of these properties will be for the disposition, reuse, and management by the Philadelphia Land Bank.
- The PRA properties listed below were approved for the conveyance to the Philadelphia Land Bank with the support of the 5<sup>th</sup> Councilmanic District Office.

**PROPERTY INFORMATION:**

**PRA Conveyance:** The PRA properties attached hereto as Exhibit "A" will be Conveyed to the Philadelphia Land Bank without consideration, pursuant to Section 2109 of the Land Bank Act, 68 Pa. C.S.A. §2109 (d)(3).

Prepared by: Brian Romano, Project Manager  
Reviewed by: Angel Rodriguez

EXHIBIT "A"

5<sup>th</sup> Councilmanic District Properties

2500 N. 31<sup>st</sup> Street  
2401 N. 32<sup>nd</sup> Street  
2549 ½ N. 32<sup>nd</sup> Street  
2401 N. 33<sup>rd</sup> Street

**BOARD FACTSHEET**

Meeting of June 12, 2019

Revision to the Percent for Art Program Policy and Authorization to Transfer Management and Control of Percent for Art Program to Philadelphia Housing Development Corporation

The Board is asked to consider a Resolution that would (I) adopt revisions to the Percent for Art Program Policy related to the payment of administrative fees, and (II) authorize the transfer of management and control of the Percent for Art Program to the Philadelphia Housing Development Corporation ("PHDC").

In 1959, the Philadelphia Redevelopment Authority (the "Authority") created the nation's first Percent for Art Program (the "Program"), requiring redevelopers who build on land purchased from or assembled by the Authority to dedicate one percent (1.00%) of their construction costs to commissioning original site-specific fine art (the "Percent for Art Contribution"). Philadelphia's reputation as a city filled with public art is well-deserved and the Authority led the way with the Program that has commissioned iconic works of art, such as Claes Oldenburg's *Clothespin* and Dennis Oppenheim's *Wave Forms*.

Revisions to Program Policy

In 2019, the Authority staff engaged in a reexamination of the program and the payment of costs and administrative fees related thereto. The Authority currently receives 5.00% of any Percent for Art Contribution for public art projects and 5.00% of any Percent for Art Contribution made to the Fund for Art and Civic Engagement (the "Fund"), both of which can be used only for the payment of administrative fees/costs. Notwithstanding, in the event the administrative costs/fees for administering the Program exceed any amounts previously received by the Authority through the Percent for Art Program, the Authority seeks authorization to use funds from the Fund to cover the additional administrative fees/costs.

The proposed revisions reflect improvements to the Program policy based on costs/fees incurred by the Authority in administering the Program. The specific proposed key change is as follows:

- In the event the administrative costs/fees related to the Percent for Art Program exceed the amounts received through commissions or contributions to the Fund, the Authority is authorized cover/pay those additional costs with proceeds from the Fund.

Also, although not a material policy change, staff seeks approval of revisions throughout the Program policy removing the "Director" designation and replacing that with "Program Staff." The purpose of this modification throughout the

Program policy is due to the fact that the title of "Director" may no longer exist as of July 1, 2019.

### Authorization to Transfer Management and Control of Program to PHDC

The Board is also asked to authorize the transfer the management and control of the Program to PHDC. In an effort create the most cost-effective and efficient operation of the Program, the Authority seeks to transfer management and control of the Program to PHDC. PHDC has agreed, subject to PHDC Board approval and subject to the Authority's approval of this resolution, to assume the management and control of the Program as soon as authorized. Provided the Authority Board authorizes such transfer, PHDC staff intend to introduce a Board package authorizing PHDC to assume the management and control of the Program at its June Board meeting, with such action to be effective July 1, 2019.

There are no liabilities or debt obligations held by the Authority relative to its management and control of the Program.

Proposed Resolution and revised Percent for Art Program Policy are attached.

Prepared by: Ryan Harmon  
Reviewed by: Gregory Heller



**BOARD FACTSHEET**

Meeting of June 12, 2019

Amendatory Agreement

Modification to Resolution 2018-06, Adopted on January 10, 2018  
4300-12 & 4314-26 Ridge Avenue

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**NAME OF DEVELOPER/APPLICANT:** CRP/GO Ridge Flats Owner, L.L.C. ("Developer")

**Nature of Transaction:** The Board is requested to modify Resolution No. 2018-06, adopted on January 10, 2018 (the "2018 Resolution"), approving revised schematic plans that reflected the previous scope of development as finalized by the Developer. Revisions in the 2018 Resolution included an overall reduction in total building square footage from 283,000 sq. ft. to an estimated 134,000 sq. ft. that maintained a mix of studio, one and two-bedroom units, specifically:

1. Building height, decreased from 79'8" to 61'8"
2. Building floor count, decreased from six (6) floors to (5) floors
3. Total unit count, decreased from 199 units to 125 units
4. Ground floor retail/restaurant area decreased from 16,000 sq. ft. to 10,500 sq. ft
5. Parking count decreased from 200 spaces to 118 spaces

Today, the Board is asked to authorize a resolution that approves the following modifications to the 2018 Resolution as an amendment providing for the modifications included in the 2018 Resolution was never finalized and additional modifications were made. These include an increased building height, change to unit count, increase of ground floor retail, a slight change to exterior color and pattern and updated construction commencement and completion dates. Specifically, the Board is requested to authorize the following modifications:

1. Building height (to top of parapet) increased from 61'-8" to 68'-9"
2. Total unit count increased from 125 to 142
3. Ground floor retail increased from approximately 10,500 to 10,872
4. Exterior materials remain architectural panels as shown in previous plans, however the color and pattern are slightly different
5. Updated construction commencement date of February 13, 2020 and construction completion date of August 13, 2022

**Legal Entity/Other Partners (if applicable):** Onion Flats II, LLC & Grasso Holdings LLC

**Mailing Address:** 30 S. 15<sup>th</sup> Street, Suite 1000, Philadelphia, PA 19102

**PROPERTY INFORMATION:** 4300-12 & 4314-26 Ridge Avenue

**Description:** 73,000 sq. ft., vacant lot & building    **Zoning:** CMX-2.5    **Use:** Mixed Use

## Item III

### **COMMENTS OR OTHER CONDITIONS:**

The Developer purchased the Property on February 27, 2015, from the Authority. The project will be located along Kelly Drive in the East Falls neighborhood. Total development cost is estimated at Thirty-Four Million One Hundred Forty-Three Million Dollars (\$34,143,000). If approved, in accordance with Authority policy, there will be an amendment fee in the amount of Seven Thousand Five Hundred Dollars (\$7,500.00), which represents 1% of the acquisition costs.

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 – 18%, WBE – 7%.

Proposed Resolution and supporting information are attached (schematic plans and drawings).

Prepared by:       Zoe Linder-Baptie  
Reviewed by:       Gregory Heller



**BOARD FACTSHEET**

Meeting of June 12, 2019

Non-Recourse Construction/Permanent Loan Agreement

Located at 417, 423, 431, 443, 445 and 445-Rear E. Wister Street and 5120 Rufe Street

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**NAME OF SPONSOR/DEVELOPER:** Women's Community Revitalization Project

**Nature of Transaction:** Authorization for the Authority to enter into a non-recourse construction/permanent loan agreement with Nicole Hines Limited Partnership in an amount not to exceed One Million Nine Hundred Seventy-Nine Thousand Four Hundred Ninety-Five Dollars (\$1,979,495) (the "Authority Loan"). The proceeds of the Authority Loan will be used to assist in the new construction of thirty-five (35) affordable rental units for families with income at or below 60% of Area Median Income.

**Legal Entity:** Nicole Hines Limited Partnership

**PROPERTY INFORMATION:** Nicole Hines Townhomes

**Addresses:** 417, 423, 431, 443, 445 and 445-Rear E. Wister Street and 5120 Rufe Street (the "Properties")

**Total Development Cost:** \$15,675,828

**Total Construction Cost:** \$11,650,519

**PRA Financing:** \$1,979,495

**FINANCING:**

The Authority Loan will be structured with a term of forty (40) years at one percent (1%) 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. The Authority Loan will be secured by a second lien position on the leasehold interest on the Properties behind the Pennsylvania Housing Finance Agency's Pennsylvania Housing Affordability and Rehabilitation Enhancement Funds funding.

**COMMENTS OR OTHER CONDITIONS:**

The City of Philadelphia (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: Zena Holland, Senior Housing Development Officer

Reviewed by: Darci Bauer, Director Housing Finance



**BOARD FACTSHEET**

Meeting of June 12, 2019

Non-Recourse Construction/Permanent Loan and Modification of Authority Loan

Hogar de Esperanza

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**NAME OF BORROWER:** Refugio de Amor, L.P. ("Borrower")

**NAME OF SPONSOR:** Asociacion Puertorriquenos en Marcha, Inc. ("APM")

**Nature of Transaction:** Authorization for the Authority to provide financing for the preservation of Hogar de Esperanza, a twenty (20) unit special needs housing development located at 2203-31, 2237, 2243-51 Germantown Avenue, 2202-04 N. Sixth Street and 2226-66 Cadwallader Avenue, now known as 2203-31 Germantown Avenue (the "Project"), in an amount not to exceed Five Hundred Sixty-Five Thousand Six Hundred and Forty-Five Dollars (\$565,645) ("New Financing") and to modify existing Authority financing on the Project.

**BACKGROUND/PROJECT DESCRIPTION:**

In 1997, the Authority provided a non-recourse construction/permanent loan to Borrower in the amount of Three Hundred Sixty-Four Thousand Dollars (\$364,000) ("Authority Loan") to assist with the construction of the Project. The Authority Loan has a forty (40) year term at zero percent (0%) interest with payments starting in year twenty-six (26) until fully amortized by the fortieth (40<sup>th</sup>) anniversary.

APM has developed a preservation plan for the Project that includes replacing the existing HVAC system and windows with energy star equipment. The preservation will be partially funded with the New Financing.

The Authority will enter into a loan agreement for the New Financing at zero percent (0%) interest due and payable in thirty (30) years and modify the terms of the Authority Loan to be due and payable thirty (30) years from closing on the New Financing.

**COMMENTS OR OTHER CONDITIONS:**

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 scope of work and costs of the construction for this Project. The Philadelphia Planning Commission has stated that they do not need to review since there are no federal dollars in the Project.



## Item IV (b)

### **BOARD ACTION REQUIRED:**

1. Authorize the Authority to enter into a non-recourse construction/permanent loan agreement with the Borrower not to exceed Five Hundred Sixty-Five Thousand Six Hundred and Forty-Five Dollars (\$565,645).
2. Modify the terms of the Authority Loan to be due and payable thirty (30) years from closing on the New Financing.

**Proposed Resolution is attached**

**Prepared by:** Ali Mooney, Housing Development Officer  
**Reviewed by:** Darci Bauer, Housing Finance Director



**BOARD FACTSHEET**  
Meeting of June 12, 2019  
City of Philadelphia – Department of Public Property

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**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 will 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.

**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 5109 Market Street 5111 Market Street 5113 Market Street 5121 Market Street 5123 Market Street 5125 Market Street	Kalidave Limited Partnership	\$420,000.00 (Competitive - Request for Proposals) (for all properties)



**BOARD FACTSHEET**

Meeting of June 12, 2019

City of Philadelphia – Department of Public Property

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**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 was approved by City Council (Resolution No. 190324).
- The conveyance of these properties to the Grantee for reuse and development 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.
- The City properties listed below will be conveyed the Philadelphia Redevelopment Authority, without consideration, pursuant to Chapter 16-400 of The Philadelphia Code.

**PROPERTY INFORMATION:**

- 1) **Disposition:** The following sixteen (16) parcels will be conveyed without consideration:

<u>Addresses</u>	<u>Grantee</u>	<u>Total Cost</u>
637 North 40th Street	Philadelphia Redevelopment Authority	\$0.00
644-46 North 40th Street		
718 North 40th Street		
744 North 40th Street		
809 North 40th Street		
827 North 40th Street		
830 North 40th Street		
838 North 40th Street		
843 North 40th Street		
847 North 40th Street		
849 North 40th Street		
851 North 40th Street		
865 North 40th Street		
867 North 40th Street		
822 Sloan Street		



**BOARD FACTSHEET**

Meeting of June 12, 2019

Conveyance of Philadelphia Land Bank Properties to Philadelphia Redevelopment Authority

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**Nature of Transaction:** The Philadelphia Land Bank ("PLB") will facilitate the conveyance of title of properties owned by the PLB to the Philadelphia Redevelopment Authority ("PRA"):

- The conveyance of these properties will be for the disposition, reuse, and development by the PRA.
- The properties listed below were approved for conveyance to the PRA with the support of the 3rd Councilmanic District Office.
- Pursuant to City Council Resolution No. 190387, adopted on May 16, 2019, the City authorized transfer of the PLB properties listed below to the PRA.

**PROPERTY INFORMATION:**

**PLB Conveyance:** The PLB properties attached hereto as Exhibit "A" will be conveyed the PRA, without consideration, pursuant to Chapter 16-700 of The Philadelphia Code.

**EXHIBIT "A"**

**3rd Councilmanic District Properties**

805 N. 40th Street  
818 N. 40th Street