

**The Redevelopment Authority of the City of York**  
**Meeting Minutes**  
**May 20, 2015**

A duly advertised meeting of the Redevelopment Authority of the City of York was held on May 20, 2015 at 101 S. George Street, City Council Chambers, York, PA 17401

**I. Call to Order / Welcome**

The meeting was called to order at 4:02 p.m. by David Cross. Present were Michael Black, Melissa Stiles, Andrew Paxton and Aaron Anderson.

**II. Public Comment**

Jane Heller of Springettsbury Township is asking about 234, 236 and 238 Walnut Street. She would like to create a city park and asks if the Board will be involved in such a project. Chairman Cross advised that the Redevelopment Authority has conveyed the property to Think Loud Development for development purposes. It is up to them as to their plans. She then asked about 218 Walnut and there is an abandoned garage. Mr. Cross explained there is a blight process and that will be followed.

**III. Approval of meeting Minutes**

Michael Black moved to approve the minutes of April 15, 2015 as distributed. Andrew Paxton seconded. The motion passed unanimously.

Resolution No. 5025

**IV. Financial Report**

The Authority General Fund Balance stands at \$200,243.66. The Pullman Building rental revenue fund is \$31,514.16. The Pullman tenant escrow fund is \$2,502.70. Staff advised that the CDBG fund balances have not yet been received. Additionally some demolition has occurred and the prices and the payment of the same will be reflected in the next meeting.

Currently the CDBG balances (Bureau of Housing Services) are as follows:

Demolition:	\$ 79,890.26
Acquisition:	\$ 65,000.00
Stabilization:	<u>\$ 101,744.52</u>
	<b>\$ 246,634.78</b>

V. **New Business/Action Items**

- c. 515 Linden Avenue. Staff advised that Christopher Bowen and Virgil Brown have been having problems with payments since the original agreement of December 2012. This has been the subject of Board action to do a new agreement. However the new payments have not yet been received. Mr. Bowen spoke and advised that there are issues with the conditions of the house that have made it a more difficult project. He has applied for a 203(k) loan which might take a couple of months to come about. They have been dealing with several contractors some of which have not been good. The 203 loan will be an FHA loan. They estimate that \$210,000 is the current cost for renovation and \$60,000 is owned to the Redevelopment Authority. Once their loan is approved, an appraisal will be required. They apologized to the Authority for lack of communication. Aaron Anderson asked when they will be ready to go forward with the project. The answer was no later than at the November meeting. Mr. Cross asked will everything be able to be done after the approval and the appraisal by them. Mr. Bowen advised he believed so. Staff advised 22 payments have been made. Six payments have not been made. Mr. Bowen stated that his records indicate four payments have not been made, not six. Andrew Paxton asked what if the property does not appraise for the amount of the loan. Mr. Bowen said that they are pre-approved for their loan and if the appraisal comes in lower they will cut the renovation costs. Right now there is no heat, water, or electric in the building. They therefore cannot sell their home in Lancaster and move into the property at this point. Mr. Paxton asked about problems with communication. Mr. Bowen said there had been some health issues and getting to know Ms. Davis who succeeded Ms. Thompson-Morgan. Mr. Cross asked if they could pick an absolute date. Mr. Bowen said six months. Mr. Cross stated they will need to be current with their payments. Mr. Cross then moved to extend the agreement for six months until the November 18<sup>th</sup> meeting. They will need to be current with every payment of the \$1,000 a month and if there is a default the agreement is at an end. Mr. Paxton seconded. The motion passed unanimously.

Resolution No. 5026

- d. Multiple Property Acquisition. Derek Dilks has an option on three properties. He has been willing to pay \$1,038,000. Financing and plans have been submitted for Citizens Bank and Pullman. Unfortunately the Redevelopment Authority cannot turn over the property at 450 Madison as of yet. Mr. Dilks would like two properties right now to move forward. He will pay \$238,000

for Pullman and redevelop Citizens and pay \$400,000 for that and there will need to be a new option agreement for 450 Madison Avenue. Mr. Dilks stated they are still considering \$1,038,000 even though 450 cannot close at this time but they want to move forward with Pullman and Citizens Bank. Paying more money here is a sign of good faith. He and the Authority could share an additional costs up to a certain position. He wants to be flexible but wants to move forward with the other two properties. Andrew Paxton asked if \$400,000 relieves the Authority's obligation for Citizens Bank. Mr. Cross advised yes. Mr. Cross felt there should be three motions.

1. The sale of Pullman 238-242 North George Street for \$238,000.00. Mr. Cross made that a motion. Michael Black seconded. The motion passed unanimously.

Resolution No. 5027

2. There will need to be a Redevelopment Agreement for Citizens Bank at One North George Street. Sales price will be \$400,000. The developer will hold carrying costs and not pay taxes or any fees to the Authority. He will however be responsible for insurance, maintenance and utilities. He is looking at six months to do his due diligence and create plans and specifications. He is hoping to do it within a shorter period of time. He believes that a one year period will be required for construction. After this everyone will go to a sales agreement. Mr. Cross made that a motion. Melissa Stiles seconded. The motion passed unanimously.

Resolution No. 5028

3. 450 Madison Avenue. Mr. Cross advised there would an option agreement for the Elm Terrace Apartments for \$634,000. Mr. Paxton advised that this was for three properties and originally there was an option fee that could be applied for three properties. Mr. Cross advised that it was originally \$4,000 for just this property and \$10,034 for the entire matter. Mr. Dilks advised that option fee for \$6,340 is acceptable. However, because he is concerned about the roof, Mr. Paxton was looking for an incentive to tie this matter in with the other two and suggested a two percent option fee, or \$12,680. There would be a six month option period. Mr. Cross made that a motion. Michael Black seconded. The motion passed unanimously.

Resolution No. 5029

**V. New Business/Action Items**

- b. 229 South Queen Street. The owner owns next store. This is a lot. It is offering \$2,500. Aaron Anderson moved to approve this sale on those terms. Andrew Paxton seconded. The motion passed unanimously.

Resolution No. 5030

- d. 462-464 West Market Street. Initiative Property Group is requesting an option for this property. They are willing to pay \$500 for the option. It will be applied to the sales price which has yet to be determined or which will be determined later. The option period will be six months. Michael Black moved to approve the option agreement. Aaron Anderson seconded. The motion passed unanimously.

Resolution No. 5031

- f. Interns. Staff advised we have one intern and hoping for another one. The Authority is not paying them, but staff would like to reimburse them for mileage at .55½¢ a mile. Aaron Anderson moved to approve the mileage reimbursement. Michael Black seconded. The motion passed unanimously.

Resolution No. 5032

- g. 224 N. George Street. Susquehanna Renovations is willing to fix the roof. Staff is proposing a contract not to exceed \$70,000. Michael Black moved to approve hiring them for that purpose at that price. Andrew Paxton seconded. The motion passed unanimously.

Resolution No. 5033

**VI. Staff Reports**

- a. New Business  
Weinbrom-Staff advises a management report will be available soon.
- b. Old Business  
Gus' Bar-Staff advises construction is complete and they are applying for a certificate of occupancy for the apartments.

**VIII. Adjournment**

The meeting adjourned at 5:05 p.m.