

**The Redevelopment Authority of the City of York**  
**Meeting Minutes**  
**Wednesday, October 15, 2014 at 4:00 p.m.**

A duly advertised meeting of the Redevelopment Authority of the City of York was held on October 15, 2014 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, David Cross, Andrew Paxton, Melissa Stiles, and Aaron Anderson. Also present was John Baranski, sitting in solicitor and staff members Leonardo McClarty, Nicole Davis and Shilvosky Buffaloe.

**II. Public Comment**

None.

**III. Approval of meeting Minutes**

Aaron Anderson moved to approve the minutes of September 17, 2014 as distributed. Melissa Stiles seconded. The motion passed unanimously.

Resolution No. 4967

**IV. Financial Report**

The Authority General Fund Balance stands at \$190,259.31. The Pullman Building rental revenue balance is \$81,369.29. The Pullman tenant escrow balance is \$2,501.25.

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

Demolition:	\$ 98,519.59
Acquisition:	\$ 45,000.00
Stabilization:	<u>\$ 49,428.93</u>
	<b>\$192,948.52</b>

**V. New Business/Action Items**

- f. 44-50 W. Market St. Motion: Joshua Hankey appeared and presented a request for a six month option to purchase the Woolworth's building located at 44-50 West Market Street. Mr. Hankey reviewed conceptual drawings and presented his application for acquisition, operating pro

forma (condensed and updated) and sources and uses schedule. A general concept presented by Mr. Hankey was based on the Frank Diffenoffer concept previously submitted which shows 3 rental units on the front of the first floor of approximately 1,000 to 1,500 square feet each, with 4 market rate apartments on the second floor. The rear of the first floor and basement will have parking of approximately 26 spaces. There will be an elevator to the second floor. Following discussions with Mr. Cross, Hankey agreed to offer \$1,000.00 as an option payment which amount will be applied to the purchase price if the option is exercised. If the option is not exercised, Hankey understands that the \$1,000.00 would be forfeited to the RDA. Hankey clarified that his request was on behalf of the Susquehanna Renovations, whom Hankey has ownership interest in and is authorized to speak for. Hankey advised that he had successful projects in the Royal Square neighborhood; on Beaver Street; Philadelphia Street and the Bond building. Following discussions with Mr. Paxton, Hankey acknowledged that the granting of the option does not grant access or possessory rights to the Woolworth's building. In order for Hankey to acquire said rights he would have to enter into a License Agreement with the RDA. However, Hankey will have limited access to perform due diligence. All parties present acknowledged that the option would start on October 15, 2014 and run for a period of 6 months. David Cross made a motion to grant Susquehanna Renovations a 6 month option, in exchange for a \$1,000.00 option payment for the Woolworth's building located at 44-50 West Market Street. Andrew Paxton seconded. The motion passed unanimously.

Resolution No. 4968

- a. Tax Claim Bureau of York County Repository Sale. Staff presented a request to the Board for authorization to purchase properties from the Tax Claim Bureau's Repository List. Presently there are 11 properties that staff is interested in acquiring as set forth on a Exhibit presented by Ms. Davis. The money will come from the General Fund. A motion was made by Aaron Anderson to spend up to \$600.00 per property for the 11 properties on the list. Melissa Stiles seconded. The motion passed unanimously.

Resolution No. 4969

- b. 120 N. Richland Ave.: Staff presented a request for the Board to authorize possession of 120 N. Richland Ave. (the Manna Pro Feed Mill) as a first step necessary to apply for funds from DCED (Industrial City Reuse Program). Presently the York County Agricultural Society owns the property. There is a cell tower on the property. Staff explained that the

plan is to demolish the structure and remediate the site while retaining the cell tower at its present location. No revenues would be generated from the cell tower. The site is actively being used for warehousing purposes. It is unknown whether there would be any leases for the RDA to assume and concerns were raised over the relationship of the current occupants to the owner and whether there are leases. Discussions were held on the necessity of a reverter clause wherein the property can be given back to the York County Agricultural Society if funds are not obtained to pay for the demolition and remediation. Staff will actively pursue grants to accomplish demolition and remediation so as not to use RDA General Funds. Directions were given to the staff to complete additional due diligence regarding the "tenants." Michael Black moved to authorize the staff to take possession of 120 N. Richland Ave. with the condition that the staff confirm that there would be no obligations vis a vis the current occupants. Aaron Anderson seconded the motion. The motion passed unanimously.

Resolution No. 4970

- c. 520 S. Pershing Ave.: The staff presented a request for authorization to accept the donation of 520 S. Pershing Ave. from Wells Fargo Bank. Following discussions, Michael Black made a motion to authorize the staff to accept the donation. Aaron Anderson seconded. The motion passed unanimously.

Resolution No. 4971

- e. 515 Linden Ave.: Staff presented the request on behalf of Christopher Bowen and Virgil Brown, the installment purchasers of property at 515 Linden Ave., for a 12 month extension to allow Bowen and Brown to continue with renovations. The deadline under the current installment agreement which Bowen and Brown have to pay the RDA in full is November 4, 2014. At that time an amount of approximately \$60,000.00 would be due from Bowen and Brown. Nicole Davis outlined the progress made by Bowen and Brown to date and discussions were held regarding the difficulties they are experiencing with the amount of HVAC and other renovations required. Presently Bowen and Brown are 1 month delinquent on their installment payments. Discussions were held regarding the necessity for an extension payment from Bowen and Brown and it was decided to require a \$6,000.00 extension payment to be payable at the time the installment agreement comes due in exchange for granting the 12 month extension. The \$6,000.00 extension payment would be reduced by \$500.00 per month for every month that the RDA is paid in full sooner than the expiration of the 12 month extension. Andrew Paxton moved to

approve the extension with the above condition. Melissa Stiles seconded. The motion passed unanimously.

Resolution No. 4972

**VI. Staff Reports**

a. New Business

- a. Budget Revisions – Shilvosky Buffaloe and Leonardo McClarty presented the budget revisions. Shilvosky advised that the RDA's budgets will be incorporated into the City's budget system. Discussions were held regarding concerns over the Northwest Triangle and the RACP reimbursement. Further discussions were held regarding the Metro Bank line of credit and the DCED Grant of \$250,000.00.
- b. Keystone Color Works – An update was presented by staff and Mr. McClarty regarding a meeting held last week with Seth Predix on the existing parking layout concerns. The Board was advised that this issue should be wrapped up by years end.
- c. The new City Planner was introduced by Mr. McClarty.

b. Old Business

- a. Citizens Bank – Shilvosky advised that the DCED granted permission to the RDA to submit an application for funding. Extensive discussions were held regarding the decision to refrain from heating the structure during the winter. Several Board Members brought up concerns regarding winterizing the building and the potential for damage if any water remains in any of the systems over the winter with no heat. Nicole Davis advised that the insurance company was consulted on that issue and noted that the budget reflects only mothballing the building, not heating it over the winter. Davis was directed to confirm the situation regarding all water being shut off to the building and drained in order to prevent damage if the building remains unheated. This issue will be discussed at the November meeting.
- b. GUS' Bar – The Board was advised by staff that there is positive progress and approximately 3 weeks worth of framing has been completed. The property should be dried-in by mid-November. The contractor submitted a number of changes for approval. David Cross emphatically rejected those changes and the remaining Board Members concurred.
- c. Pullman Cleaning and Maintenance - The staff requested an executive session to discuss negotiations on contracts related to the Pullman Building.

A motion was made by Andrew Paxton and seconded by Michael Black to adjourn into executive session to discuss the Pullman Building.

**VIII. Adjournment**

The meeting adjourned at 5:32 p.m.