

**The Redevelopment Authority of the City of York**  
**Meeting Minutes**  
**December 17, 2014**

A duly advertised meeting of the Redevelopment Authority of the City of York was held on December 17, 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, Andrew Paxton, Aaron Anderson, and Melissa Stiles.

**II. Public Comment**

There was none but Shilvosky Buffalo read a statement.

The City of York plans to demolish the buildings located at 234, 236 & 238 Walnut Street using Federal HUD money. These buildings have been severely damaged by fire and have become a safety hazard to the surrounding community. These buildings are contributing to the York Historic District and as such are required to be reviewed under the Section 106 process. The public must be notified of such actions by the city. If you have any questions or comments on this project please contact Roger Ciuffo at Historic York (717) 843-0320 within 30-days of this announcement.

**III. Approval of meeting Minutes**

Michael Black moved to approve the minutes of November 19, 2014 as distributed. Melissa Stiles seconded. The motion passed unanimously.

Resolution No. 4982

**IV. Financial Report**

The Authority General Fund Balance stands at \$198,528.47. The Pullman Building rental revenue fund is \$60,057.69. The Pullman tenant escrow fund is \$2,501.67.

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

Demolition:	\$ 84,719.59
Acquisition:	\$ 45,000.00
Stabilization:	\$ 47,235.93
	<b>\$176,955.52</b>

**V. New Business/Action Items**

- b. 447-449 South Duke Street. Crispus Attucks owns 445 S. South Duke and is interested in these properties. They will pay \$1.00 each. All three will be green spaces. Melissa Stiles moved to approve this sale. Michael Black seconded. The motion passed unanimously.

Resolution No. 4983

- c. Think Loud, LLC. This was tabled. The staff has not yet received a formal letter of intent.

- d. Secretary Appointment. Michael Black moved to remove Leonardo McClarty as Secretary of the Redevelopment Authority. Aaron Anderson seconded. The motion passed unanimously.

Resolution No. 4984

- e. CODO 241 HRA Loan. Melissa Stiles moved to modify this agreement as long as it is consistent with existing loan obligation pledged by the Authority. Michael Black seconded. The motion passed unanimously.

Resolution No. 4985

- f. RDA Annual Budget. Staff has been working on this for quite some time. It was distributed. Michael Black moved to approve the budget as submitted. Melissa Stiles seconded. The motion passed unanimously.

Resolution No. 4986

- g. RACP LOC. This was due to expire in November. It needs to be extended to allow the RACP final payment of \$2.4 million which is anticipated by January to be received. Michael Black moved to approve a three month extension to the line of credit. Aaron Anderson seconded. The motion passed unanimously.

Resolution No. 4987

- h. 2015 Board Meetings. Staff is proposing we keep meetings at the third week of every month at 4:00 p.m. at 101 South George Street, City Council Chambers. Andrew Paxton moved to approve the date and time and the advertising of these meetings. Michael Black seconded. The motion passed unanimously.

Resolution No. 4988

- a. 630 South Pine Street. Ms. Britta Schwab and James Munene d/b/a Central Penn Development. This is their first project. They gave a Power Point presentation. They are proposing to have the property developed and leased to Greenleaf Biofuels. There is existing only one other biofuel company selling to a limited customer municipality in York County. They want to sell to a wide variety of customers. They start off with waste grease from restaurants and the like and they turn it into used Methanol and a catalyst and oil and fats and come out with biodiesel fuel and glycerin. The Simon Camera at 630 South Pine Street is a 10,000 square foot building and has been vacant for years. The presentation included an advantage of job creation in the city both skilled and unskilled people. They will partner with Beihang University in Elizabethtown College to provide technical expertise and student involvement. Their timeline proposes a code of compliance for the renovation of the building by June 2015. They believe the overall construction will cost \$114,000.00 to renovate the property. The offer is for \$1,000.00 for 630 South Pine Street and \$1.00 for the 600 South Pine Street which is currently a parking lot. They will comply with all EPA and DEP regulations. Aaron Anderson asked how many tenants there will be. Ms. Schwab advised three. Greenleaf Biofuels, a soap maker and diesel engineer repair shop. David Cross asked about zoning. Ms. Schwab advises the zoning officer said the property would be suitable for that. It is zoned mixed use residential-institutional. David Cross asked if there had been any current sales to this point. Mr. Munene advised he has used the product. David Cross asked if there were any sales projections. Ms. Schwab advised that based on demand she believes it would be around 2,000 gallons a day or 10,000 gallons a week. They estimate their capacity to be 10,000 a day. David Cross asked why not seek a market rate building at this point. Ms. Schwab advised that the size of this building and the ability to expand is of interest to them. They also want to do this in the City of York. Andrew Paxton asked about the sprinkler costs. Ms. Schwab said yes. The estimate is \$20,000. Mr. Paxton advised he thought that was low. David Cross asked what the business privilege taxes might be. Ms. Schwab advised she believes the estimate would be between \$10,000 - \$12,000 a year. Staff was asked the Redevelopment Authority costs in obtaining these properties. Staff advised that the cost of acquiring the building with

paying the former owner in compensation plus legal fees was about \$65,000. The Authority also spent around \$87,000 in remediation costs after obtaining a state grant. Andrew Paxton asked about the cost of starting up the business. Ms. Schwab advised they have a lot of personal property on their own and so excluding the rehab costs they are only estimating between \$3,000 and \$5,000. David Cross asked if the project is ready for an agreement of some kind. Staff advised there are no plans and specifications at this present time so therefore a Redevelopment Agreement seems to be the most appropriate document. This would require detailed plans and specifications, proof of financing, and other terms. Michael Black moved to rehab the property at 630 South Pine Street for \$1,000.00 and enter into a Redevelopment Agreement after which compliance would mean a sale for 630 South Pine Street to Central Penn Development for \$1,000 and to lease 600 South Pine Street for \$1.00 terms being negotiated by staff and the solicitor. Aaron Anderson seconded. Andrew Paxton explained that the Redevelopment Agreement will have milestones in it and that Ms. Schwab and Mr. Munene should work with the solicitor and staff in resolving those terms. Mr. Cross advised he felt that it was an interesting proposal but he is not sure this is a complete and proper redevelopment of the building. Mr. Anderson advised he thought it was a creative concept and a good opportunity. The motion passed 4 to 1. Mr. Cross opposed.

#### Resolution No. 4989

- i. Staff Reports.
  1. David Dilks will be given a \$10,000 draw payment as he has made some progress on his agreement.
  2. The Walnut Street demolition was discussed.
  3. The Brickbox agreement was sent out but is not yet been signed.
  4. Keystone Colorworks agreement has been signed. Staff is now talking about leasing for parking and an interior agreement.
  5. Gus' Bar was discussed. There are nine change orders needed totaling \$13,983.90. The Board approved all the change orders.

### **VIII. Adjournment**

The meeting adjourned at 5:20 p.m.