

The Redevelopment Authority of the City of York
Meeting Minutes
June 20, 2018

A duly advertised meeting of the Redevelopment Authority of the City of York was held on June 20, 2018 at 101 S. George Street, City Council Chambers, York, PA 17401.

I. Call to Order/Welcome

Michael Black called the meeting to order at 4:00 p.m. Present were Andrew Paxton and Teen Vebares. Frank Countess and Aaron Anderson were absent.

II. Public Comment – Mr. Izyiah Collins of Zone One utility services has approached staff about some housing. The company is a utility contractor which has crews doing work in Lancaster which need housing. Staff has shown them the two apartments at Gus’s Bar. They will need housing for 2-3 months. There will be a total of 8 men. All members of the crews have cleared background checks. At a point later, staff had a discussion with the board. Andrew Paxton moved to authorize staff to negotiation standard lease terms for the property at 594-596 W. Princess Street for the 2 apartments. Teen Vebares seconded. The motion passed unanimously.

Resolution No. 5263

III. Minutes of May 23, 2018

Minutes tabled until next meeting.

IV. Financial Report

General Fund Balance

RDA General Fund \$264,927.97

Staff will be discussing the loan situation with York Traditions Bank.

CDBG Balances

Demolition	\$ 45,816.00
Acquisition	\$ 20,000.00
Stabilization	<u>\$ 29,267.16</u>
	\$95,083.16

Staff advised 599 E. Clarke Avenue may require a future encumbrance.

V. New Business/Action Items

a. 1 North George Street. (Citizens Bank Building).

The option to the Landises expired yesterday June 19, 2018. Mr. Shawn Landis stated they are not there for an extension but to exercise the option. The Board asked the solicitor the status of the option.

The solicitor advised the option is no longer valid so it cannot be exercised. Either the Board would grant a new option or agree to proceed to an agreement of sale if the Board desired. Mr. Paxton asked Mr. Landis how he would like to proceed. Mr. Landis said he would really like to exercise the option in order to move forward to enter into a sales agreement. The Landises advised they are 40-50% complete in the creation of construction documents. They have selected numerous vendors, they have bank acceptance of a \$1,675,000 line of credit; \$1,415,000 construction loan and \$260,000 for a bridge loan. Government grants are being submitted, historic tax credits are being worked on which they expect to net \$512,000. There is a potential for \$100,000-\$175,000 from other Pennsylvania sources. Rock Real Estate has provided an opinion of value at the end of construction that the property will be worth \$1,000,000. They are working on a construction schedule. They would like to be able to start in January. They believe they have obtained approvals of the use from local entities. Andrew Paxton advised he is confused as to the motion. Teen Vebares indicated that it looked like they wanted to enter into a sales agreement. Mr. Paxton advised that usually doesn't occur until after negotiations when the staff negotiates all the details. He asked if the Landises need exclusive site control. Mr. Landis advised that they do want exclusive site control. Mr. Paxton advised that a new option would be required or to perhaps allow the old option to expire and have staff negotiate the details of a new one. Michael Black asked how long he thought that might take. Mr. Landis stated that he thought it could occur in 30 days. Mr. Paxton advised he said back in December this was the last time he would grant an extension and therefore he is not supporting the request. Mr. Landis advised the difference in time is negligible and that they have done things on time. Mr. Paxton advised that what they have presented is not enough for a development agreement. The Board needs hard evidence provided; the Authority usually needs a lot more information than the memo submitted, even for a \$10,000 house rehab. Proof of plans and financing is required and it has not been submitted. Mr. Vebares asked if they are offering \$20,000 to move to the next phase. Mr. Landis advised yes. The \$20,000 could be a deposit which would be nonrefundable but could be applied to the purchase price. Michael Black asked if they either wanted a 7 month extension or a 30 day extension. Mr. Landis asked if they could take a break. They took a break to discuss matters with their consultant. After the break Mr. Landis stated that they are asking for a one month extension to negotiate sale terms. They are offering \$3,000 for this option which would be nonrefundable and not applied to the purchase price. Mr. Verbares moved that as a motion. Mr. Paxton seconded. The motion failed 1 -1, Mr. Black in favor, Mr. Paxton opposing, and Mr. Verbares abstaining. Mr. Black requested that the Landises to please continue to work with staff.

b. NWT Parcelage.

Staff is recommending a deed from the RDA to the City. The parcel was displayed on the NBOA subdivision plan. It will go to the Rail Trail after a conveyance to the City. Andrew Paxton moved to approve the conveyance. Teen Verbares seconded. The motion passed unanimously.

Resolution No. 5264

c. 463-475 W. Hope Avenue.

JNS has provided some evidence of expenditures but mostly estimates of the demolition cost. He has not provided any bills. Staff advised that the City's Building Code Official issued a stop work order on the open end wall has now been lifted and the demolition has been permitted. Teen Vebares asked if the Authority owns the property and is in control at the present time. Staff advised that was the case. Mr. Verbares suggested we put the properties back on the market and let him compete with

others, if there are any. Andrew Paxton stated he was agreeable to that approach in letting Mr. Smith to reapply. Staff advised the agreement has actually expired. Mr. Paxton advised that we should consider reimbursing the costs of demolition but with proof the costs of actual expenditure. Andrew Paxton moved to approve the extension that JNS is requesting for one year. Teen Verbales seconded. Motion did not pass. Teen Verbales moved to reimburse JNS for the demotion cost once proper documentation is received in an amount not to exceed \$15,000. Andrew Paxton seconded. The motion passed unanimously.

Resolution No. 5265

d. **506 and 508 E. Walnut Street.**

These will be swapped for 500 S. Queen Street (Maple Street address?). The Board is interested in keeping this as a green space and a side lot, but it would be fine if he would build on it. No one wants a parking lot there. Teen Vebares moved to agree to the land swap of 500 S. Queen Street for 506 and 508 E. Walnut Street on the condition that the property be maintained as a green space for at side lot or obtain RDA approval for a change of use, and Mr. Raymond Ferrer will pay the cost of the transfer. Andrew Paxton seconded. Motion passed unanimously.

Resolution No. 5266

e. **320 West Princess Street. Resolution 5179.**

York Area Housing Group has to own the property in order to do the renovation. They are obtaining funds from the Home Department of the City. Staff is filing to waive plans of financing. Andrew Paxton moved to approve the transaction on those terms. Teen Vebares seconded. The motion passed unanimously.

Resolution No. 5267

VI. Blight

The following properties have gone through the Blight Task Force, Planning Commission, and the Vacant Property Review Committee.

1. 713 East Clarke Avenue Rear
2. 526 South Duke Street
3. 403 Juniper Street
4. 220 Liberty Court
5. 507 Walnut Street
6. 701 York Street

Both 507 Walnut Street and 713 E. Clarke Avenue are probably immediate safety hazards. Teen Vebares moved to declare the properties certified and blighted and authorized the exercise of Eminent Domain. All properties are vacant. Andrew Paxton seconded. The motion passed unanimously.

Resolution No. 5268

VII. Staff Report

- a. 146 South Beaver Street: The situation between Seth Predix and Darryl Bonfessutto about the utility right-of-way. There will be strip of land. There is a lease involved right now that will have to be worked out. Andrew Paxton suggested that the Authority be the responsible party and be able to negotiation with Keystone Colorworks directly.
- b. 300 North State Street: Pennrose has obtained bid tabulations of approximately \$1.45 million for debris removal with various options. There appears to be another underground storage tank that will have to be dealt with.
- c. 452 Wallace Street: The former owner has complained and staff has responded.
- d. 700 West Princess Street: Juanita Barbosa has obtained an extension.
- e. Foodery Farms is making a proposal for W Hope and Green Street. Staff is investigating.
- f. York City Special Events – Bike Night: Special Events Coordinator wants to use Citizen Bank. Staff will obtain something in writing for the Board to review.
- g. York County Prison: Two separate people want to take pictures of the inside.

VIII. Chairman's Report- None.

Meeting adjourned at 5:05 p.m.