



# City of Philadelphia

City Council  
Chief Clerk's Office  
402 City Hall  
Philadelphia, PA 19107

**BILL NO. 060701**

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**Introduced September 21, 2006**

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**Councilmember Clarke**

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**Referred to the  
Committee on Finance**

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## **AN ORDINANCE**

Authorizing the Philadelphia Authority for Industrial Development ("PAID") to file an application with the Office of the Budget, Commonwealth of Pennsylvania, under the Redevelopment Assistance Capital Program, in an aggregate amount not to exceed Seven Million Dollars (\$7,000,000) to assist in the development of North Philadelphia Health System, the Old Metropolitan Opera House and Progress Plaza; and authorizing the City to enter into an agreement with PAID in furtherance of grant requirements; all under certain terms and conditions.

WHEREAS, The City and the Philadelphia Authority for Industrial Development ("PAID") desire to obtain funds from the Commonwealth of Pennsylvania's Office of the Budget, in an amount not to exceed Seven Million Dollars (\$7,000,000) for the undertaking of approved Capital Budget projects under Section 4(c) of the Housing and Redevelopment Assistance Law as amended; and

WHEREAS, Guidelines issued pursuant to the Housing and Redevelopment Assistance Law, as amended, define a blighted area to include portions of an urban community with economically undesirable land uses; and

WHEREAS, The City and PAID recognize that blighting influences exist due to economically undesirable land use throughout the City; and

WHEREAS, Three projects ("Projects") are being proposed in order to eliminate the existing blighting influence by renovation of a hospital facilities, an opera house, a retail center; and

WHEREAS, The City and PAID desire to advance the necessary development of the above-referenced Projects; and

WHEREAS, The Housing and Community Development Program authorizes PAID to file applications for grants; and

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WHEREAS, The Commonwealth regulations require the City and/or its designated project recipients to assume the provision of the full matching share of the project costs above the aggregate amount of Seven Million Dollars (\$7,000,000); and

WHEREAS, The Commonwealth regulations require the City to obligate itself to reimburse the Commonwealth for expenditures found to be ineligible and not reimbursed by the project recipient; and

WHEREAS, The Commonwealth regulations require the City to enter into a Cooperation Agreement between PAID and the City to create the mechanism to reimburse the state for project expenses found to be ineligible and not reimbursed by the project recipient; and to reimburse the state when warranted for project expenses on projects not completed within the agreed upon term of the grants; and

WHEREAS, The Commonwealth regulations require City Council's approval prior to PAID's submission of an application; now, therefore,

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. The City of Philadelphia authorizes the Philadelphia Authority for Industrial Development ("PAID") to file applications for Redevelopment Assistance Capital Program Grants through the Commonwealth of Pennsylvania's Office of the Budget, including all understandings and assurances contained therein, in an aggregate amount not to exceed Seven Million Dollars (\$7,000,000) to assist in the development of North Philadelphia Health System, Old Metropolitan Opera House, and Progress Plaza, as individually described in Capital Budget Project Itemization Acts 2004-40, and as described in Exhibit "A" attached hereto and incorporated herein.

SECTION 2. The City of Philadelphia authorizes PAID to enter into grant agreements with the Commonwealth of Pennsylvania's Office of the Budget to carry out the purposes of this Ordinance.

SECTION 3. The City and/or its designated project recipients will assume the provision of the full matching share of project costs above the aggregate amount of Seven Million Dollars (\$7,000,000).

SECTION 4. The City or the designated project recipient will reimburse the Commonwealth for the State's share of any expenditure awarded pursuant to this Ordinance that is found by the Office of the Budget to be ineligible.

SECTION 5. The City of Philadelphia and/or its designated project recipients also agree to guarantee that it shall fully complete the projects within the

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agreed upon term of the grant (including reasonable extensions requested by the City and/or its designated project recipients).

SECTION 6. The City Council of Philadelphia also authorizes the City to enter into an agreement with the Philadelphia Authority for Industrial Development (“PAID”) whereby the City and/or its designated project recipients, at the discretion of the City, will assume the provision of the full local share of the project costs above Seven Million Dollars (\$7,000,000); or to reimburse the Commonwealth for project expenditures for projects not completed within the agreed upon term of the grants.

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## EXHIBIT "A"

### PROJECT DESCRIPTIONS

#### North Philadelphia Health System

North Philadelphia Health System will renovate an existing building in multiple phases. The first phase will include expansion of the existing building to house health system operations. The second phase will include construction of a new emergency room. The total project cost is approximately \$4.5 million.

**RACP Grant            \$1,000,000**

#### Old Met Opera House:

The historic Old Metropolitan Opera House located at 858 North Broad St (Broad and Poplar Streets) will undergo renovations and expansion to house the Holy Ghost Headquarters Church, North Philadelphia Community Development Corporation, and commercial retail space. The project is expected to be completed in November, 2008. The total project cost is approximately \$10,000,000.

**RACP Grant            \$1,000,000**

#### Progress Plaza

The existing retail plaza located at the corner of Broad and Jefferson Streets will be completely renovated to include a greatly needed 46,000 square foot grocery store and 44,000 square feet of additional retail space. This redevelopment project will serve as a vital resource to residents in this underserved community. The approximate total project cost for this project is \$12,900,000.

**RACP Grant            \$5,000,000**