



REDEVELOPMENT AUTHORITY MEETING

APRIL 21, 2014

7:00 PM

Board Members Present; Joe DiSciullo, Jack Burkholder, Joe Kandler, Tyrone Harley, Donald Folks

Board Members Absent:

Staff Members:

Ruthann Mowday

RDA Solicitor:

Vince Mancini

Chairman DiSciullo opened the meeting at 7:10 pm and announced an Executive Session was held earlier this evening to discuss legal, Real estate and personnel.

Approval of Minutes – March 17/, 2014

Mr. Harley made a motion to approve the March 17, 2014 meeting minutes; Mr. Folks seconded the motion. Motion passed 5-0.

Approval of Accounts Payables

The RDA's accounts payables are being paid by Brite Realty, as part of their management services. Brite Realty reported additional invoices paid in their monthly statement. A small number of payables came to City Hall for payment, and they were processed by the RDA staff. The list is noted below:

Vincent Mancini	RDA Solicitor Billing	3,544.75
Buckley, Brion, McGuire	Legal Fees, Train St	842.37
Envirosure, Inc.	Meeting	8,044.00
BBD, LLP	2012 Audit	4,000.00
Pennoni Associates	Study	108,955.30
Brite Realty	Boarding/Entry	495.50
FedEx	Postage	40.48

Mr. Harley made a motion to approve the accounts payables; Mr. Folks seconded the motion. Motion passed 5-0.

Additions, Deletions and Modifications

Chairman DiSciullo added New Business b) Approve draft audit

Presentations

- a. 2013 Audit – Carl Hogan

Mr. Hogan explained the financial highlights are:

- At December 31, 2013, the liabilities of the Authority exceeded assets by \$2,279,552.
- During 2013, the Authority's deficit in net position decreased by \$675,913. The decrease in the deficit can be attributed primarily to the purchase of property held for resale and related costs through grant funding from the Pennsylvania Department of Transportation

and the Chester County Department of Community Development for the Coatesville Train Station redevelopment project in the amount of \$996,281 which was offset by interest expense on the note payable to the City in the amount of \$279,966.

- The City has agreed to not demand repayment of its note receivable from the Authority and to defer interest accrued on the note as of December 31, 2013 for a period of one year.
- The Authority acted as a pass-through entity for a \$5,750,000 Redevelopment Capital Assistance Program grant from the Commonwealth of Pennsylvania. The grant was distributed to a developer ("*Coatesville Inn Associates*") for the purpose of constructing a Courtyard Marriott Hotel.

The Authority has acquired certain parcels of land in targeted blighted areas within the City limits to develop as part of its redevelopment activities.

During 2013, the Authority acquired eleven parcels of land and paid for related costs with grant funding from the Pennsylvania Department of Transportation and the Chester County Department of Community Development in the amount of \$996,281. The properties on these parcels of land are to be demolished and the land will be used as part of the proposed site for the Coatesville Train Station redevelopment project. As of December 31, 2013, the Authority has acquired 15 properties and incurred costs totaling approximately \$1.2 million which is included in property held for resale related to this project.

As of December 31, 2013, the Authority owned 60 parcels of land totaling 54.7091 acres recorded at a total value of \$5,283,654.

Approximately 30 acres owned by the Authority consists of an area known as the "Flats". The total cost of the Flats including all costs associated with preparing the property for resale totals approximately \$2.5 million.

The Authority has been awarded a \$2,248,000 grant from the Pennsylvania Department of Transportation and a \$700,000 grant from the Chester County Department of Community Development for the acquisition and demolition of property to be utilized in the Coatesville Train Station redevelopment project. During 2013, the Authority received and expended \$1,410,288 relative to these two

The Authority's total assets as of December 31, 2013 were \$6,281,217, of which \$5,283,654 or 84.12% consisted of property held for resale. The Authority's total liabilities as of December 31, 2013 were \$8,560,769, of which \$8,121,492 or 94.87% was due under the note payable agreement with the City of Coatesville.

The Authority's operating revenues for 2013 consisted primarily of rental income (\$80,268 or 96.33%). The Authority's operating expenses for 2013 consisted primarily of professional services (\$119,653 or 21.24%) and relocation and housing assistance related to the Coatesville Train Station redevelopment project (\$347,563 or 61.69%). Professional fees increased by \$33,042 and relocation and housing assistance increased by \$293,732 in 2013 when compared to 2012 and accounted for a majority of the increase in operating expenses of \$313,183. Increases within these expenses were predominantly

funded with intergovernmental revenues. Intergovernmental revenues and pass-through grant expense in 2012 consisted primarily of funding received from the Redevelopment Capital Assistance Grant from the Commonwealth of Pennsylvania which passed through to the Coatesville Inn Associates for the purpose of constructing a Courtyard Marriott Hotel. Intergovernmental revenues in 2013 consisted primarily of grant funding from the Pennsylvania Department of Transportation and the Chester County Department of Community Development for the Coatesville Train Station redevelopment project. During 2012, the Authority wrote off project advances for accounting purposes only related to the Third Avenue Towers tax increment project in the amount of \$503,516.

Citizens Comments on Agenda Items

There were no citizens' comments at this time.

New Business

a. Receive and consider Pennoni Invoices

Mr. Harley made a motion to approve the Pennoni invoices subject to the approval from PennDot; Vice Chairman Burkholder seconded the motion. Motion passed 5-0.

b. Approve 2013 Draft Audit

Chairman DiSciullo made a motion to approve the 2014 Audit; Mr. Folks seconded the motion. Motion passed 5-0.

Chairman DiSciullo requested the 2013 and 2012 for the Redevelopment Authority of the City of Coatesville be forwarded to the Chester County which includes the activity for the \$700,000 grant for Chester County for the Tran Station Rehabilitation. The audit must be submitted by April 30, 2014.

Citizens Comments

Chairman DiSciullo announced the next meeting will be held on May 19, 2014

Adjournment

Mr. Harley made a motion to adjourn the meeting at 7:30 pm; Mr. Folks seconded the motion. Motion passed 5-0.

Respectfully submitted,
Joseph DiSciullo, Chairman