



Redevelopment Authority Meeting
Special Meeting
City Hall Place
June 3, 2021
6:00 pm

Board Members Present; Joseph DiSciullo, Jack Burkholder, Ricky Campbell, Tyrone Harley, Joseph Kandler
Board Members Absent:
Staff Members: Ruthann Mowday
RDA Solicitor: Lou Kodumal

Chairman DiSciullo called the meeting to order at the request of Ms. Springsteen and Mr. Wilson on their intentions of another project.

Presentations

Mr. Wilson, Proudfoot Capital, explained they are in discussion with an end user who's looking to expand and relocate. We identified Third and Lincoln property site. Part of the negotiations requires some level of certainty on my part. We are looking for just a 60-day exclusive to buy the property. This will kind of provide some certainty during the negotiations and then if it doesn't come to fruition. I can just release. The project consists of a minimum of 20,000 square feet with most likely retail on the bottom first floor and commercial on the top floors. We have not met with anyone for the bottom floor retail. Our main goal is if we get the company to relocate, then the economics work out where we'll spec out retail space. I would not foresee renting it out. The tenant we are negotiating with requires 10,000 square feet.

Chairman DiSciullo asked should you be able to get the tenant to sign a lease or come to an agreement with them. What's your time frame with the project?

Mr. Wilson explained they will be able to move as fast as you guys prove everything so they're ready to go. They ideally like to get in there within a year and a half or so and just going by you know the 190 West Lincoln project. If we have problem with PECO, a little bit of Covid. We would have got that project done a little over a year. I am not expecting Covid to be an issue and there's no power lines crossing the site now. I don't believe PECO is going to be an issue. I'm going to use the same design and build team. It's probably going to look a lot like our new addition that we have at 190 West Lincoln Highway from a design standpoint. It's not going to take too long then, it's just a matter of submitting everything to the city and getting rolling that way.

Mr. Kodumal stated he drafted a letter and will tailor it to what you all may decide or condition. The RDA would not enter into any redevelopment agreement for this site with another party or prospective redeveloper. The due diligence period would end on August 2, 2021 at midnight unless requested to end it sooner. This is upon the approval by the RDA Board as to the terms and conditions. The RDA Board would have to vote on that at a public meeting and because of the location of the property, it's in a redevelopment area that's also subject to approval by Coatesville City Council. Last but not least, this is not an entry agreement. If they want to go on site or send a surveyor or a realtor or prospective tenants to you know go on or about the property, they would need to come back to the

redevelopment authority asking for a site license which they can do as soon as the June 21st RDA meeting if they need to or they could wait until a further meeting. Basically, we would grant the company 60 days of exclusivity. We wouldn't talk to anyone else for two months. I guess by way of further clarification because the Redevelopment Authority is a public agency. There is really no effective way to prevent any third party. If Warren Buffett made an unsolicited offer to the RDA for 300 East Lincoln Highway, you really couldn't prevent him from throwing that offer over the transom so to speak. This is essentially what I understood David and Sue to be looking for that the RDA wouldn't be entering into any redevelopment agreement with a third-party redeveloper during that 60-day period. We really can't stop anybody that might send in an unsolicited offer or expression of interest or letter of interest or something for the same property. It's just that the RDA during this due diligence period wouldn't be contracting with anybody else.

Vice Chairman Burkholder stated that Mr. Wilson indicated that if he couldn't make the deal that he needs to make he would end the agreement which I assume you mean earlier than the 60 days right and would also know if you made the deal, would you then come back to us less than 60 days to process the full agreement. Mr. Kodumal replied that he added it so they can elect to end it sooner. If let's say things went very favorably with the prospective tenant. You could go to the RDA board for June 21st and ask the board to approve a redevelopment agreement and terminate the exclusivity period early or you could wait and see how further the negotiations went before making that decision.

Mr. Kandler asked if Mr. Wilson feels comfortable with the 60 days. We are not going to come up to 60 days and need extensions. I'm just uncomfortable taking something off the market like that, unless you feel as though the 60 days is well within reason of what you're looking that you can negotiate or do what you have to do within that time frame. Mr. Wilson stated he understood this, so I'm not going to abuse it and come back and say I need more time. That wouldn't be fair to the RDA. I am comfortable with 60 days.

Mr. Harley stated we're actually not taking it off the market, we're just putting a hold on it am I correct by saying that? Mr. Kodumal explained the wording of the letter as it currently stands says in consideration these due the PCA due diligence period, the RDA will not enter into any Redevelopment Agreement for the 300 East Lincoln Highway with another party, prospective redeveloper and that's limited to the due diligence period. So again, not to abuse Mr. Buffet, but if Mr. Buffet made an unsolicited offer. I'll pay the RDA five million dollars for a Redevelopment Agreement for this property right, just because PCA has an exclusive period on it, this wouldn't prevent the RDA from just waiting out the period and saying the exclusivity period is over and we're entering into a Redevelopment Agreement with Mr. Buffet. Mr. DiSciullo explained we are not taking it off the market we're simply saying, hey if you have an idea for a lot that's fine but we can't do anything with you for 60 days. We have someone who has the rights and if he says nay then we can look at your project but for 60 days we really, we can't do anything.

Mr. Campbell made a motion to approve entering into a 60-day exclusive activity with Proudfoot and Associates affiliates, with any necessary revisions or corrections by the Solicitor; Mr. Harley seconded the motion. Motion passed 5-0.

Mr. Kodumal stated he would provide the documents after the meeting for Mr. DiSciullo to esign.

Chairman DiSciullo wished Mr. Wilson and Ms. Springsteen best of luck with their tenant. I hope you can get him to sign on board. We certainly were impressed with the job at 190 West Lincoln Highway. He did a wonderful job there and we would like to see you do the same thing on 3rd Avenue.

Chairman DiSciullo stated the Governor is saying that in October he wants meetings to be public again and in person. Zoom meetings reduce the amount of time it takes for everybody to get together and more people seem to attend the meetings.

Adjournment

Mr. Campbell made a motion to adjourn the meeting at 6:19 pm; Mr. Harley seconded the motion. Motion passed 5-0.