

# City of Philadelphia



(Bill No. 000395)

## 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 Capital Redevelopment Assistance Program, in an aggregate amount not to exceed Thirty-four Million Dollars (\$34,000,000) to assist in the development of the Blue Horizon, Nueva Esperanza, Asociacion de Musicos Latinos Performing Arts Center, the Congreso de Latinos Unidos Inc. Community Center, the Please Touch Museum, and the Franklin Institute.

WHEREAS, The City and the Philadelphia Authority for Industrial Development ("PAID") are desirous of obtaining funds from the Commonwealth of Pennsylvania's Office of the Budget in an amount not to exceed Thirty-four Million Dollars (\$34,000,000) 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 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 in Center City Philadelphia, North Philadelphia, South Philadelphia, Kensington, Penn's Landing, and Point Breeze; and

WHEREAS, Seven projects ("Projects") are being proposed within such areas and the proposed Projects will eliminate the existing blighting influence by renovating facilities to house educational and cultural facilities; 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

WHEREAS, The Commonwealth regulations require the City and/or its designated project recipients to assume the provision of the full local share of the project costs above the aggregate amount of Thirty-four Million Dollars (\$34,000,000); or to reimburse the Commonwealth for project expenditures for projects not completed within the agreed upon term of the grants; and

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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 submitting 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 Capital Redevelopment Assistance Grants through the Commonwealth Office of the Budget, including all understandings and assurances contained therein, in an aggregate amount not to exceed Thirty-four Million Dollars (\$34,000,000) to assist in the development of and improvements to the Blue Horizin, Nueva Aesperanza, The Asociacion de Musicos Latinos Performing Arts Center, Congreso de Latinos Unidos Inc. Community Center, the Point Breeze Performing Arts Center, the Please Touch Museum, and The Franklin Institute as individually described in Act 1 of 1999 approved by Governor Ridge, and as described in Exhibit "A" attached hereto and incorporated herein.

SECTION 2. The City of Philadelphia authorizes PAID to enter into a grant agreement 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 local share of project costs above the aggregate amount not to exceed Thirty-four Million Dollars (\$34,000,000).

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

SECTION 5. The City of Philadelphia also agrees to guarantee that it shall fully complete the projects within the agreed upon term of the grant (including reasonable extensions requested by the City).

SECTION 6. The City Council of Philadelphia also authorizes the City to enter into an agreement with the Philadelphia Authority for Industrial Development ("PAID")

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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 Thirty-four Million Dollars (\$34,000,000); 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

**Blue Horizon** The Project will be developed in two (2) Phases or Parts, as follows:

Phase I: Complete renovation of the basic structure including all major systems, roofing, HVAC systems, ADA compliance, restoration of the historic facade and environmental remediation. In this phase, the interior construction is limited to upgrading all common areas and installing new code-compliant bathrooms: (1) The Teal Room in the lower/below grade level, (2) the Ball Room/Conference Room on the 1st floor, and (3) the Auditorium on the 2nd and 3rd floors. All areas have lobbies with pre-function areas that can be used as additional leased space. The functional areas will be fitted out as each space is leased.

Phase II: The 2nd Phase will involve fitting out and renovating the three functional areas to attract and secure leases. Total Project Cost is \$5,010,000.

RDA GRANT \$1,000,000

**Nueva Esperanza** - Nueva Esperanza intends to anchor and enhance the existing investments by developing a 6.1-acre commercial/industrial complex located in the center of this area at Hunting Park Avenue and 5th Street. Nueva has acquired this site, which is located in a state Enterprise Zone, and will convert it into a commercial and community services center, the Nueva Esperanza Campus. The Nueva Esperanza Campus will contain 315,000 square feet in two buildings, 4261 North 5th Street and 301 West Hunting Park Avenue, both located within the same block. Nueva Esperanza has signed leases with 17 businesses which will occupy 98 percent of the space, including Nueva Esperanza's administrative offices and a mix of small manufacturing and warehousing businesses, with a total employment of over 200 people. The only vacant space is the second floor of the Hunting Park Avenue property, which is planned for a charter school. The ongoing renovations will not disturb business operations. The total project cost is approximately \$6,525,000.

RDA GRANT \$3,000,000

**Asociacion de Musicos Latino (ADML) Performing Arts Center** - The Asociacion de Musicos Latino proposes to construct a 41,000 square foot Performing Arts Center. This facility, which will be located at 5th and Huntingdon Streets, will promote Latin American music and dance through education. The project will include a banquet facility with a kitchen and will house a culinary arts program. The total project cost is \$7,000,000.

RDA GRANT \$2,000,000.00

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**Congreso de Latino Unidos Inc., (CDLU) Community Center** - CDLU Community Center is acquiring a 46,116 square foot building located at 216 West Somerset Street, located in the eastern section of North Philadelphia. CDLU, organized in 1977 to address serious social and economic problems of the growing Puerto Rican and Latino community of Philadelphia, will acquire the above-noted Somerset Street property from the building's current owner, the City of Philadelphia. CDLU will spend \$5,000,000 to substantially renovate the building for its headquarters and its array of employment, health, children and youth education and other social programs that serve families who reside in Eastern North Philadelphia. The total project cost is \$5,805,000.

RDA Grant     \$2,500,000.00

**Point Breeze Performing Arts Center** - The Point Breeze Performing Arts Training and Health Center, a 40,000+ square foot new construction complex, will be located in the 1600 block of Point Breeze Avenue. The completed project will be owned by the Point Breeze Performing Arts Center (PBPAC), a community based 501 (c)(3) arts education organization. Point Breeze has performed throughout Philadelphia and all over the world. Development of the complex will be undertaken by a joint venture of the Point Breeze Community Development Corporation and Universal Community Homes, a local real estate developer, which is also a community-based 501 (c) (3) organization. The complex will include training, practice, education and administrative space for the PBPAC, retail space and a health center. The City of Philadelphia has committed an Economic Stimulus loan and Neighborhood Development Grant totaling \$1,000,000 to the project. Total project cost is \$6,000,000.

RDA Grant     \$3,000,000.00

**Please Touch Museum** - The Please Touch Museum®, the Children's Museum of Philadelphia, proposes to build a state-of-the-art children's museum at the proposed family entertainment center at Penn's Landing. It will be an educational resource and a family entertainment destination, a place that is stimulating and safe for children and adults. It will be attractive to residents and tourists alike. The new museum will be 110,000 square feet with 45,000 square feet for new indoor and outdoor exhibits. The museum expects to draw annual attendance in excess of 500,000 annually. The museum is planned to open in 2002, at the same time as the family entertainment center. The museum will have a Philadelphia theme. The total project cost is \$32,000,000.

RDA Grant     \$5,000,000.00

**The Franklin Institute** - The Franklin Institute has embarked upon a project that envisions a complete transformation of the organization. Public spaces, exhibits, programs, theaters, building infrastructure and life/safety issues will all be addressed. This project has its roots in an organizational strategic planning process begun in 1995,

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endorsed by the Board of Trustees in 1996 and updated in 1998. The Commonwealth of Pennsylvania will play a major role in this investment through the Redevelopment Assistance Capital Grant program. Commonwealth funding will be centered upon preserving the Institute's historic 1934 building while modernizing its systems in a number of important ways, including electrical, HVAC, historic preservation and accessibility. Total project cost is \$35,000,000.

RDA Grant     \$17,500,000

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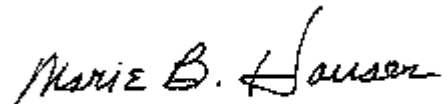
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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 22, 2000. The Bill was Signed by the Mayor on September 12, 2000.

A handwritten signature in black ink that reads "Marie B. Hauser". The signature is written in a cursive style with a large, looped initial "M".

Marie B. Hauser  
Chief Clerk of the City Council