

Legislation Text

File #: 000725, **Version:** 1

Authorizing the Philadelphia Authority for Industrial Development to file an application and enter into a grant agreement with the Office of the Budget, Commonwealth of Pennsylvania, under the Capital Redevelopment Assistance Program to provide partial funding to assist in the development of a professional baseball stadium and a professional football stadium and training facility in the City of Philadelphia (“City”); and making certain related assurances.

Whereas, The City and the Philadelphia Authority for Industrial Development (“PAID”) believe that the attraction and retention of professional sports franchises encourages, fosters and stimulates the health, safety and general welfare and economic development, stability and prosperity for citizens of the City and its citizens, merchants, business interests and sports fans; and

Whereas, The City and PAID also believe that the interests of the public will be best served by securing the agreement and commitment of a professional baseball team and professional football team to continue to play its and their professional home games in new stadiums and related improvements and amenities (collectively, the “Stadium Projects”) to be constructed in the City, and such development will be an important and integral factor in the continued encouragement, promotion, attraction, stimulation, development, growth and expansion of business, commerce and tourism within the City and will also provide significant benefits to the general public; and

Whereas, The Commonwealth of Pennsylvania (“Commonwealth”), acting through the Office of the Budget, is authorized through the Redevelopment Assistance Capital Program, to apply for funding projects that have been listed in the Capital Budget Project Authorization Act as Redevelopment Assistance Capital Projects and which meet the standards established in the Capital Facilities Debt Enabling Act, Act of February 9, 1999 (P.L. 1, No. 1) (“CFDEA”); and

Whereas, In the Capital Budget Project Itemization Act of 1996-1997, Act of October 10, 1997 (P.L. 392, No. 47), approved by Governor Ridge on November 13, 1997, stadium development and renovation are specifically identified as approved additional capital projects in the City of Philadelphia; and

Whereas, The City and PAID are desirous of obtaining funds from the Commonwealth’s Office of the Budget, in an amount not less than One Hundred Seventy Million Dollars (\$170,000,000) for the undertaking of construction of the Stadium Projects as approved Redevelopment Assistance Capital Projects meeting the standards of the Capital Facilities Debt Enabling Act, Act of February 9, 1999 (P.L. 1, No. 1) (“CFDEA”); 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 the redevelopment assistance grant awarded; 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 Commonwealth for project expenses found to be ineligible and not reimbursed by the project recipient; and to reimburse the Commonwealth when warranted for project expenses for 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 ("City") 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 of not less than One Hundred Seventy Million Dollars (\$170,000,000) to provide partial funding to assist in the development of a professional baseball stadium and a professional football stadium and training facility as described in Exhibit "A" attached hereto and incorporated herein.

SECTION 2. The City 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 Director of Commerce is authorized to enter into an agreement with PAID committing the City and/or its designated project recipients to assume the provision of the full local share of project costs above One Hundred Seventy Million Dollars (\$170,000,000), or such greater amount as shall be provided in the redevelopment assistance grant, and to fully complete the project within the agreed upon term of the grant (including reasonable extensions requested by the City), or, in the alternative, to reimburse the Commonwealth for the full grant amount paid.

SECTION 4. The Director of Commerce is authorized to enter into an agreement with PAID committing the City and/or its designated project recipients to reimburse the Commonwealth for the Commonwealth'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 Council of Philadelphia also authorizes the Director of Commerce to enter into an agreement with 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 One Hundred Seventy Million Dollars (\$170,000,000), or such greater amount as shall be provided from the redevelopment assistance grant, or to reimburse the Commonwealth for project expenditures for projects not completed within the agreed upon term of the grants.

EXHIBIT "A"

PROJECT DESCRIPTIONS

Professional Baseball Stadium:

The Phillies propose to lease certain land from the Philadelphia Authority for Industrial Development ("PAID") and to construct and operate or cause to be constructed and operated thereon a stadium containing seating for approximately 43,000 to 45,000 patrons and other improvements and appurtenances for the conduct of professional baseball games and the conduct of other events and other activities that will provide athletic, educational, cultural, commercial and other entertainment, instruction or activity for the citizens of the area in and around the City and the Commonwealth, and for parking and other incidental uses, and PAID proposes to demolish buildings and construct parking on certain other lands owned by PAID.

RDA Grant: not less than \$85,000,000

Professional Football Stadium and Training Facility:

The Philadelphia Eagles Limited Partnership propose to lease certain land from the Philadelphia Authority for Industrial Development ("PAID") and to construct and operate or cause to be constructed and operated thereon a stadium containing seating for approximately 65,000 to 70,000 patrons and other improvements and appurtenances for the conduct of and training for professional football games and the conduct of other events and other activities that will provide athletic, educational, cultural, commercial and other entertainment, instruction or activity for the citizens of the area in and around the City and the Commonwealth, and for parking and other incidental uses, and PAID proposes to demolish buildings and construct parking on certain other lands owned by PAID.

RDA Grant: not less than \$85,000,000