September 26-27, 2019

PROJECT DEVELOPMENT 101
“Bringing It All Together”

Driving growth to every corner of Philadelphia

PIDC

PACDC

PHILADELPHIA ASSOCIATION
OF COMMUNITY DEVELOPMENT CORPORATIONS
Laura M. Spina

Director of Community Planning

Department of Planning and Development

Philadelphia City Planning Commission

EXISTING OR NEW NEIGHBORHOOD PLANS

Driving growth to every corner of Philadelphia
Neighborhood Planning & Development
PIDC-PACDC
26 September 2019
WHO WE ARE
PHILADELPHIA CITY PLANNING COMMISSION

**COMMISSION**
- Appointed by the Mayor
- Ex-officios

**STAFF Divisions:**
- Citizens Planning Institute
- Community Planning
- Development and Zoning
- Implementation
- Policy and Analysis
- Urban Design
Required by Philadelphia Home Rule Charter:

- Physical Development Plan of the City – The Comprehensive Plan
- Zoning Ordinances, Maps, and Amendments
- Capital Program and Budget
- Streets and Land Subdivisions
- Recommendations to Council
THE COMPREHENSIVE PLAN

Philadelphia2035
PHASE 1 | THE CITYWIDE VISION

- Establish a 25 year vision for the City of Philadelphia

- Broad, citywide goals and recommendations

- Guide City budgets, collaborations, and investments in the built environment

- Make development patterns more predictable for citizens, community groups, developers and investors

ADOPTED JUNE 2011
PHASE 1 | THE CITYWIDE VISION

Philadelphia2035 is organized into three forward-looking and aspirational themes:

**THRIVE**
- Neighborhoods: Improve neighborhood livability
- Economic Development: Make Philadelphia more competitive in the metropolitan region
- Land Management: Capitalize on land assets

**CONNECT**
- Transportation: Improve transportation safety, efficiency, and convenience
- Utilities: Adapt utility services to changing technology and consumption patterns

**RENEW**
- Open Space: Increase equitable access to our open-space resources
- Environmental Resources: Fulfill city obligations to meet ambitious federal environmental standards
- Historic Preservation: Preserve and reuse historic resources
- Public Realm: Achieve excellence in the design and quality of Philadelphia’s built environment
PHASE 2 | DISTRICT PLANS

- 10-year time frame
- Apply the recommendations of the Citywide Vision to specific areas
- Focus on:
  - City-owned land and assets
  - Land use and zoning recommendations
  - Focus Areas
PHASE 2 | DISTRICT PLANS
OVER-ARCHING COMMUNITY DESIRES

• HOUSING
• ZONING
• TRANSIT
• HISTORIC PRESERVATION
• GREENING
COMPREHENSIVE PLAN | COORDINATION

- Steering committees
- One-on-one interviews
- Public meetings

THrive
- Commerce Department
- Div. of Housing & Community Development
- PIDC
- PHA

Connect
- Streets Department
- OTIS
- PennDOT
- SEPTA
- PPA

Renew
- Parks & Recreation
- Water Department
- Office of Sustainability
- Historical Commission
MISSION: to empower citizens across the city to take a more active role in shaping the future of their neighborhoods.

www.citizensplanninginstitute.org
NEIGHBORHOOD PLANS

IMAGE: Partnership Project
NEIGHBORHOOD PLANS | OBJECTIVES

• Create a plan that mobilizes and improves the community
• Create a plan that is aspirational but REALISTIC
• Improve links and coordination with City policies and plans
• Strive for broad and inclusive participation of all stakeholders in a public process
Establish an advisory committee – include City Agencies

Be consistent with the City’s Comprehensive Plan and respect other plans done in the area

Meet with stakeholders

Advertise the planning process to the general public and hold public meetings

Select consultants using an open and fair bidding procedure
CASE STUDY OF A MASTER PLAN -- HACE

Maria N. Gonzalez
President & CEO
HACE

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COMMUNITY REVITALIZATION
Neighborhood Development Planning
Priorities

Community Input

Environmental Scan

Demographics
Needs
Assets
Trends
Funding
Opportunities

Meetings
Stakeholder Committee
Resident Surveys
Focus Groups
Elected Officials
City Departments

Projects
Programs
Activities
Partnerships
Benefits of Community Planning

- Resident involvement = Buy-in
- Establish Priorities based on Resident and Stakeholder Input
- Codify Community Priorities
- Develop Case for Support
- Provides a Road Map to Garner Support
- Invites other Partners to Support Plan Activities
- Develop a Baseline to Measure Community Impact
Things to consider

- Community & Stakeholder Expectations
- Manage Risk
- Organizational Capacity Needs
- Neighborhood Infrastructure Needs
- Funding Environment
- Market Trends
- Who are your Partners?
- Foster Ongoing Community Support
- Communication
1995 Plan Goal: Stabilization

- Development of Affordable Rental Housing
- Main Street Program
- HACE Management Company
- Housing Counseling Program
Housing Counseling Program
Neighborhood Energy Center

“It’s real money and it can make a real difference for so many.”

Anthony J. Housing & Energy Counselor
HACE

Low Income Home Energy Assistance Program

LIHEAP
Simple. Quick. Worth it.
Text EASY to 75308

PGW®
2005 -2015 Plan
Attract New Investment

- Homeownership Development
- Vacant Property Rehabilitation
- Attract Social Service Providers to create jobs
- Capital improvements to El Centro de Oro
- Open Space Redevelopment
Lawrence Court Homeownership Development
3300 N. Lawrence Street, 19140
50 units

Homeownership Development

- Increase housing opportunities
- Build Wealth
- Equitable Development
- Housing & Credit Counseling
- Down payment Assistance
El Centro de Oro Commercial Corridor
Open Space Development

Community Beautification * Resident Engagement
The Good Lands 2025 Neighborhood Plan

CRIME/SAFETY FOCUS OF NEIGHBORHOOD PLAN
Key Issues

- Crime
- Conrail Land
- Encampments
Crime Prevention Through Environmental Design

- Lighting
- Security/Control Access
- Activate Public Spaces
- Manage Landscaping
- Eyes on the Street
- Territorial Enforcement
Conrail Land Clean Up

• Comprehensive Strategy to Eliminate Encampments, Address Crime and Homelessness
• Clean and Secure Conrail Land
• Partnerships to Preserve and Build Upon Investments
Reclaiming Our Neighborhood
SafeGrowth

- Coalition of Stakeholders
  - Police
  - Managing Director’s Office
  - Conrail
  - Department of Health & Human Services
  - Residents
  - Churches
  - Other Local Organizations

- Livability Academy
  - Civic Engagement
  - Leadership Building

- Safety Audits

- Anti-Litter Strategy

- Zoning – RCO Process
GAINING SITE CONTROL

Angel B. Rodriguez
Executive Director
Philadelphia Land Bank
Senior Vice President of Land Development, PHDC
Deputy Executive Director, Real Estate
Philadelphia Redevelopment Authority

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Inventory of Public Property for Acquisitions

❖ City of Philadelphia Department of Public Property
  • Actively Managed Inventory
  • Surplus Inventory – Vacant Property Review Committee (VPRC)

❖ PIDC – City Surplus

❖ Philadelphia Housing Authority (PHA)
  • Auction Properties

❖ Philadelphia Land Management Department
  • Philadelphia Redevelopment Authority
  • Philadelphia Land Bank
  • PHDC
  • Vacant Property Review Committee (VPRC)
There are the two types of dispositions:

• Competitive Sales (DEFAULT)

• Non-Competitive Sales
Competitive Sales – DEFAULT

- Competitive Sales are used where there are multiple applicants for a single parcel.
- Competitive Sales invite bids for City properties.
- Property prices will be established using an appraisal.
- Properties will be placed on the market for a period of 30 days.
- The City retains its rights to approve or reject a Qualified Bid based on clear criteria, including price.
Non-Competitive Sales

• A Non-Competitive Sales, as permitted pursuant to the Disposition Policy, is not considered a competitive sale.

• The City may direct the transfer of property or properties to a specific entity without a competitive process for:
  • The development of an assemblage (75% of land),
  • Business expansion,
  • Affordable Housing Development or Community based facilities
  • Side/rear yards, Garden/ Community Garden Agreement
What is the Non-competitive Sales process?

SEE HANDOUT
Private Acquisitions

• Sheriff Sales:
• Market Rate Sales
Available Resources for planning?

• Free on-line tools:
  • www.Philadelphialandbank.org
  • www.Property.phila.gov
  • www.Atlas.phila.gov
  • http://www.officeofphiladelphiasheriff.com/en/real-estate/sheriffs-sale-webapp
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PRE-DEVELOPMENT PLANNING

Blane F. Stoddart
President and CEO
BFW Group, LLC
Because The Built Environment Was Built For People
What We Do

• Owners Representation
• Construction Project Management
• Program Management
• Quality Assurance/Quality Control (QA/QC)
• Cost Estimating/ Budgeting
• Scheduling/ Safety
• On Site Construction Administration
• Real Estate Development Consulting
• Capital Fundraising
COMCAST TECHNOLOGY CENTER
Church of Jesus Christ of Latter-day Saints
Before

After

TASKER VILLAGE
Request for Quotation (RFQ)

Utilized by buyers/requestors to prescreen potential bidders

Used to negotiate deals or final pricing

Flexible

More options to buyers

Not as legally stringent
Request for Proposal RFP

Utilized to select winning bidder

Best bid or lowest bid

Best bid

• Scoring system
• Goals and vision of purchaser (Includes diversity goals)

Lowest bid

• Normally the winner of RFP
• May not include goals and vision of purchaser

Fixed Price, Lowest Bidder or GMP Contract—race to the bottom

• Leads to the utilization of the same vendors
• Suppresses diversity goals
Direct Solicitation

- Normally a request/quotation from a smaller or prequalified list of vendors
- Solicitation made be made by phone, email, or face to face
- Vendor(s) have a history with buyer, and normally pricing or unit pricing on file
- Utilized more frequently in the private sector
- Public sector normally utilizes RFP or RFQ process
Tools for Procuring Professional Services and General Contractors

- Project Description
- Written Scope of Services
- Price Range
- Predevelopment Meeting
- Vision of Purchaser
- Schematic Drawings
- Solicitation Process and Deadline
- Question and Answers
- Inclusion Policy
John Mondlak, Esq.
Deputy Director of Development Services
Office of Planning and Development
City of Philadelphia
Early 1990’s

Early 2000’s

2011

2017
In FY 2019, Development Services…

Engaged directly with developers of +70 projects…

totaling 8,500 residential units and

1.3 million sf non-residential uses
- Art Commission
- City Planning Commission
- Department of Commerce
- Department of Licenses and Inspections
- Department of Public Health
- Department of Public Property
- Department of Records
- Division of Housing and Community Development
- Fire Department
- Historical Commission
- PECO
- PGW
- PIDC
- Philadelphia Redevelopment Authority
- Streets Department
- Veolia Energy
- Verizon
- Water Department
Division of Development Services

Existing Programs

- CHOP Physician and Administrative Office Building
- Venice Innovation Island
- CASA Indiana
- University Place 3.0

**Calendar**

- **1st**: 1st
- **3rd**: 3rd
Existing Programs – Project Assistance
Division of Development Services

Piazza Terminal
300 N. Christopher Columbus Blvd
Sharswood Development
1801 Vine Street Hotel
### Existing Programs – General Assistance

Division of Development Services

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### The Papermill: 5000 Flat Rock Road

<table>
<thead>
<tr>
<th>Base Zoning</th>
<th>Philadelphia Code 14-203</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-2, Medium Industrial</td>
<td></td>
</tr>
<tr>
<td>Intended to accommodate light industrial uses, moderate-impact uses, and employment activities such as manufacturing, distribution, processing, industrial parks, and other activities.</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Historic Designation</th>
<th>14-1005 through 14-109</th>
</tr>
</thead>
<tbody>
<tr>
<td>The structure is within the Main Street Manayunk Historic District, but is “Non-Contributing”. Historical Commission approval is required for any activity. Limited demolition and construction are likely to be approved administratively, but a major overhaul or demolition could require full Commission review. Any use of federal funds for the project could trigger a lengthy historical review process.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Flood Controls</th>
<th>14-7044</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory Floodway</td>
<td></td>
</tr>
<tr>
<td>Most of the parcel, including the entire existing structure, is within the Regulatory Floodway. No encroachment (fill, new construction, or any development) is generally permitted in the floodway except for docks, public utilities, trails, roadways, and bridges which are determined to not increase the Base Flood Elevation.</td>
<td></td>
</tr>
<tr>
<td>Special Flood Hazard Area (FEMA Zone AE)</td>
<td></td>
</tr>
<tr>
<td>Some of the northeastern fringe of Venice Island, expanding into a larger triangle southeast of Fountain Street, is not within the Floodway but is within the Special Flood Hazard Area. In this area, residential structures must be elevated above the regulatory flood elevation and other structures must either be so elevated or designed to be floodproof. Several uses that could release hazardous materials or trap vulnerable people in event of a flood (hospitals, etc.) are prohibited.</td>
<td></td>
</tr>
</tbody>
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<tr>
<th>Use Regulations</th>
<th>14-402/2 and Table 14-602-3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permitted by-right: Limited and general industrial, research and development, wholesale, distribution, storage, trucking and transportation terminals, passive recreation, safety services, transit, utilities and services, wireless service facilities, business and professional offices, group medical practitioners, government, building supply sales, animal services other than boarding, building services, business support, financial services except personal credit establishments, maintenance and repair of consumer goods, marina, non-accessory parking, radio/television/recording, most vehicle sales and services, all urban agriculture.</td>
<td></td>
</tr>
</tbody>
</table>

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<tr>
<th>Dimensional Standards</th>
<th>14-701</th>
</tr>
</thead>
<tbody>
<tr>
<td>Max. Occupied Area</td>
<td>100% of the Lot</td>
</tr>
<tr>
<td>Front Yard</td>
<td>0 ft.</td>
</tr>
<tr>
<td>Side Yard</td>
<td>6 ft. if used</td>
</tr>
<tr>
<td>Rear Yard</td>
<td>8 ft. if used</td>
</tr>
<tr>
<td>Waterfront Setback</td>
<td>50 ft. from the top of the banks of the river and canal</td>
</tr>
<tr>
<td>Max. Height</td>
<td>No limit or 60 ft.</td>
</tr>
</tbody>
</table>
COMMITTEES & COMMISSIONS

- Real Estate Subcommittee of the City Council Regulatory Reform Commission;
- Vacant Property Review Committee;
- Historical Commission Financial Hardship Committee;
- Project review committees for PRA
- RFP/I review committees for Public Property
- Coordinate a Brownfields Funding Working Group
- Zoning Technical Committee
- Legislative Review Committee
- ZBA Alternate

CITY DEVELOPMENT PROJECTS

22nd Police District Relocation

Viaduct Park

Schuylkill River Trail Swing Bridge
Conclusion
PULLING THE BUDGET TOGETHER

Sarah Stroney
Vice President, Project Finance
PIDC
KEEPING IT ON TRACK

Forming the Team

Identify Needs

Engagement Letters

SPE

Partnership Agreement

Final Organization Documents

Equity Contribution

• Architect
• Contractor
• Owner’s Rep/CM
• Consultant
• Broker
• Guarantors

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KEEPING IT ON TRACK

Defining the Project

PROJECT Description

Market Data/Comps

LOIs or MOUs

Negotiation

Signed Leases or Contracts

PIDC

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KEEPING IT ON TRACK

Acquiring the right place

Driving growth to every corner of Philadelphia
KEEPING IT ON TRACK
Understanding Costs + Sources

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KEEPING IT ON TRACK
Finalizing Construction Plans

Refine Budget
Financing Term Sheets
Financing Underwriting & Approvals
Financing Signed Docs

Soft Costs:
• Closing costs
• Interest reserve

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KEEPING IT ON TRACK
Planning for Ongoing Operations

Refine Projections
- Vacancy %
- Taxes
- Insurance
- Capital reserve
- Mgmt fees
- Debt service

Appraisal
Final Projections
Thank you! See you tomorrow.

Part 2 – “Show Me the Money”
Tomorrow, Friday, September 27, 2019

8:30 AM – 9:10 AM
Registration, Continental Breakfast and Networking

9:15 AM – 12:45 PM
Program